



INTEGRATED DEVELOPMENT PLAN OF !KHEIS MUNICIPALITY 2017 – 2022

REVIEW FOR
2019 – 2020 Financial Year

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Glossary of Acronyms

BBBEE	Broad Based Black Economic Empowerment
CAPEX	Capital Expenditure
CDW	Community Development Worker
CIP	Community Integrated Projects
DORA	Division of Revenue Act
DWA	Department of Water Affairs
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Program
HSP	Human Settlements Plan
IDP	Integrated Development Plan
INEP	Integrated National Energy Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LGTAS	Local Government Turnaround Strategy
MIG	Municipal Infrastructure Grant
MSIG	Municipal Systems Improvement Grant
NDP	National Development Plan
OPEX	Operational Expenditure
PMS	Performance Management System
PSO	Provincial Strategic Objectives
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
SMME	Small, Micro and Medium Enterprises
WTW	Water Treatment Works
WWTP	Waste Water Treatment Plant
MBRR	Municipal Budget and Reporting Regulations
MSA	Municipal Systems Act
MFMA	Municipal Finance Management Act
CFO	Chief Financial Officer

Vision, Mission and Values

Vision:

A beacon of basic service delivery

Mission:

1. Creation of a conducive working environment
2. Attracting employees with the requisite skills and competencies
3. Effective and efficient management of resources
4. Deliver on identified community priorities
5. Develop reliable infrastructure for service delivery
6. Promote a conducive environment for safety and socio-economic development
7. Promote a transparent and accountable system of governance

Our Shared Values

Ubuntu

- *"I am what I am because of who we all are"*
- Humility and dignity in everything we do and say
- Respect for each other and fellow citizens irrespective of age, gender, race, language or status

Integrity

- **Incorruptability** - Incapable of being bribed or morally corrupted, to be honest, refuse to lie, steal or deceive in any way
- Adherence to the facts
- Avoidance of untested and unverified opinions, including own
- Reasoning that is sound, complete and free of any flaw

Excellence

- *"Where there is a will, there is a way"*
- Display of unlimited ability, willingness and commitment to improve the quality of service offerings
- Diligence

Dynamism

- **Adaptability** - Ability to deal successfully with positive and negative circumstances and different expectations
- An innovative organization striving for continuous improvements with a positive attitude
- Ability to go the extra mile

Executive Summary

Introduction

Integrated Development Planning is a process that has become central to local government in driving processes to ensure delivery to residents of a municipality. Integrated Development Planning has been developed as a consolidated municipal planning process that provides a framework for the planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the three spheres of government: national, provincial and local. The consultation process is therefore critical due to the success of every South African municipality's attempt to bring about responsive, developmental local government and poverty alleviation.

Background

!Kheis Municipality is a Category B Municipality in the ZF Mqcowu District. It is a small municipality in the Northern Cape Province and in South Africa. Despite the small economic and state of financial climate, the municipality thrive to deliver services to the community.

Legislative Mandate

The Municipal Systems Act (MSA) Act 32 Of 2000 requires Council to develop Integrated Development Plans which should be single, inclusive and strategic in nature. The IDP of a municipality will guide development within the council's area of jurisdiction, once adopted; an IDP should also be reviewed annually. In addition, the Act also stipulates the IDP process and the components to be included.

Purpose

The purpose of Integrated Development Planning is to facilitate faster and more appropriate delivery of services and provide a framework for economic and social development in a municipality. Section 34 of the Municipal Systems Act determines that a municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurements and as changing circumstances demand.

Strategic Agenda

The municipality is the major arena of development planning. It is at this level of government where people's needs, priorities, and local conditions have to be linked, with national guidelines and sectorial considerations, to specific projects and programmes. The !Kheis Municipality therefore developed a 5-year strategic plan.

In order to achieve the outcomes and objectives of the Municipality the Municipality is categorized in five strategic (key) performance areas. The strategic framework is based on the following:

Municipal Strategic Objectives

SFA#	Strategic Focus Area / National Key Performance Area	Count	SO#	Strategic Objective	Count	PR#	Priority	Count
SFA1	Basic Service Delivery	8	SO1	To improve and maintain current basic service delivery through specific infrastructural development projects	7	PR01	Water	2
						PR02	Sanitation	2
						PR03	Integrated Human Settlements	1
						PR04	Electricity	1
						PR05	Roads and storm water management	1
			SO2	To promote a safe and healthy environment through the protection of our natural resources	1	PR06	Environmental Conservation	1
						PR07	Disaster management	0
SFA2	Local Economic Development	6	SO3	To create an enabling environment for social development and economic growth	6	PR08	Decent employment opportunities and job creation	2
						PR09	Youth development	1
						PR10	Rural development	1
						PR11	Opportunities for women and people living with disability	1
						PR12	HIV/AIDS Awareness Programmes	1
SFA3	Municipal Financial Viability and Transformation	12	SO4	To grow the revenue base of the municipality	12	PR13	Sound Financial Planning	12
SFA4	Municipal Transformation and Organisational Development	3	SO5	To structure and manage the municipal administration to ensure efficient service delivery	3	PR14	Institutional capacity building	3
SFA5	Good Governance and Public Participation	12	SO6	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	12	PR15	Ward committees System	4
						PR16	Responsive and accountable system of Local Government	12
	Totals	41			41			41

Key Performance Objectives

Sustainable growth

Promote sustainable growth patterns which mitigates climate change and which enhances the quality of life of residents through sustainable living practices and which contributes to the local economy.

Sustainable Human Settlements

Promote the establishment of sustainable human settlements in providing housing to residents.

Healthy community

Promote a healthy community with access to health bearing services such as sewage, sanitation, safe streets, lighting

Infrastructure Investment

Promote the development and maintenance of infrastructure that promotes service delivery, growth in jobs and facilitates empowerment and opportunity.

Opportunity driven

Promote the increase in opportunities for growth and jobs, driven by private sector and the public sector, by creating an enabling environment for business and provide demand-led private sector driven support for growth sectors, industries and business.

Compliance

Promote the municipality as a compliant and accountable sphere of local government that is characterized by good governance.

Intergovernmental relations

Promote the management of effective Intergovernmental Relations

Integrated Planning

Promote effective Integrated Development Planning that relates to all spheres of government and civil society.

Participation

Promote the participation of the community in the working of the municipality.

Capacity

Promote capacity development within the municipality area so that effective service delivery can be advanced.

Maintenance

Promote well-maintained municipal infrastructure through operations and management.

Disaster Management

Effective disaster management practices in collaboration with other spheres of government and the District Municipality.

Quality Services

A fully functional department accountable for delivering quality services to local government of physical assets.

Key Performance Areas**Key Performance Area 1: Reliable Infrastructure:**

The objective of !Kheis Municipality is to provide access to reliable infrastructure that will contribute to a higher quality of life for the greater !Kheis citizens. There is an urgent need for the Municipality to upgrade and maintain its infrastructure. Concerning infrastructural planning, the municipality is in the process of finalizing an Integrated Municipal Infrastructure Plan to deal specifically with its six Water Treatment Works.

Electricity is the main energy source of households within this municipal area. !Kheis electricity infrastructure is outdated and in need of urgent upgrade. There's a need to develop an electricity master plan to provide for future expansion of additional 5 megawatts and to offset its current shortage of 250 amps which have stalled the construction of medium size shopping complex in Sternham. The municipality has applied for INEP to connect additional 800 households over the next three years. The initial connections will commence in September 2019 with a connection of 350 households in Duineveld.

Construction of a new mini library in Wegdraai will commence in the 2019/2020 financial year and will be completed in June 2020. The Department of Arts, Culture and Sport has already allocated the funding will be finalized in July 2019.

Key Performance Area 2: Service Delivery:

The objective of the municipality is to provide basic services to all its residents and to improve community relationships. The delivery of municipal services in electricity, water, sanitation, refuse, roads and storm water is a key function of the municipality. The Municipality faces significant service delivery challenges, including the roll out of services to rural areas and under serviced households, ensuring adequate maintenance of assets occur, controlling the rising unit costs of service delivery, addressing future bulk supply shortages and ensuring adequate investment in economic infrastructure.

Ward Committees have been established in all four Wards and communities have already expressed themselves on their service delivery needs. The municipality will review the service delivery strategies and service levels and will seek opportunities to service delivery partnerships and the development of a delivery plan and charter for implementation.

Key Performance Area 3: Safe Communities:

The objective of the Municipality is to strive towards a safe community in greater !Kheis through the proactive management of traffic, environmental health, fire and disaster risks. We are in the process of applying for traffic service which is critical to ensure overall law enforcement and road safety within the municipal area. A Traffic Safety and revenue plan will be developed during the 2019/20 financial year, with the assistance of the Provincial Treasury and Department of Local Government.

The Municipality will review the status of preparedness and contingency plans associated with the prevailing risks identified in the area and to reflect possible risk reduction projects during the 2019-2022 financial years. The municipality aims to also develop a traffic by-law during the 2019/2020 financial year.

Key Performance Area 4: Socio-Economic Development:

The !Kheis' local economy is built on the opportunities created by farming along the wine route and an internationally accredited abattoir in the area. It is however essential that the tourism industry be developed and investment into this industry be promoted to ensure further growth. The Municipality will therefore engage stakeholders and consider allocations for tourism development, Art and Culture promotion and SMME development.

The municipality is in the heart of the solar corridor and further investment will be encouraged to stimulate grow and downstream activities in real estate, retail and financial services to service the migration of new skills and people in the area.

Key Performance Area 5: Effective and Efficient Governance

One of the key factors to the success of a Municipality is to be stable, well-managed and efficient. The municipality will promote efficient and effective governance with high levels of stakeholder participation. The political and administrative leadership of !Kheis municipality will position itself to manage competing demands for limited resources in a fair equitable and efficient manner.

The municipality will draft and update all municipal policies, strategies and operational plans over the next three years. This will be done to ensure that municipal activities, rules and procedures are consistent with all relevant policies, legislations and by-laws.

The Municipality will improve communication of the vision, strategy and plans both internally and externally, to keep staff informed, capacitated and to manage the expectations of the community. In the Agricultural sector, improved processes will be introduced to support inclusive participation in agricultural value-chains and fostering an environment conducive to local and regional private sector investment. Community participation in the structures of local government will be strengthened in all the areas in the Municipality.

Key Performance Area 6: Efficient Workforce

The objective of the municipality is to provide an efficient workforce by aligning institutional arrangements to the overall strategy. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority. Institutional transformation is needed in order to bring stability in the council administration, to fill management vacancies, conduct organizational redesign and to compile all job descriptions and job evaluations for all posts. Funding will be sourced in order to appoint a service provider to conduct an organisational review over the first two financial years in order to ensure that the organogram is aligned to the IDP, funded and the correct person is in the correct job, job descriptions are up to date and evaluated.

The municipality will also develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilation of new policies.

The new strategy will also assist the municipality amongst other with the most effective placement of employees. The Municipality aims to maximize employee development by creating development opportunities for the municipality's employees by maximizing existing developmental opportunities. An Individual Performance Management programme for all managers/supervisors up to the third level of reporting will also be implemented. The municipality has developed a Work Place Skills Plan (WSP) of which the main objective is to ensure that there is staff development through training interventions for all levels of staff.

Key Performance Area 7: Financial Sustainability

The objective of the municipality is to strive towards a financially sustainable municipality. !Kheis municipality has a duty to improve financial management across expenditure, revenue, assets, supply chain, debt and financial reporting streams to determine the most effective way of solving its financial problems. Due to the challenges the municipality has been and is still experiencing, we have made a submission for Financial Recovery Programme to National Treasury which has been supported by Provincial Treasury after the Mid-Term assessment process. The Municipality will review the budget and expenditure management systems to ensure that efficient and effective service delivery is in line with municipal wide priorities.

The revenue management systems will be reviewed in order to maximise revenue generation possibilities and improve revenue performance. The Municipality will introduce measures to enhance levels of customer care, increase responsiveness to consumer billing and other queries. The municipality will review cash and debt management strategies and practices. The Municipality will review internal controls and delegations regarding financial management. Funding needs to be sourced in order to develop and integrated infrastructure and asset management plan.

This will entail the review and updating of the Asset Register. The Municipality will review governance practices in the Supply Chain practices and implement proper controls and risk management practices. The Municipality will initiate a process towards the review of IT infrastructure and implement accounting in order to ensure that financial systems are in line with the Municipal Budget and Reporting Reforms.

Overview IDP Cycle

This Final annual review makes provision for project and programmes that has to be implemented from the 1st of July 2019 until 30th June 2022. Projects will be fully implemented by the end of this financial year because implementation is still on track and the municipality will be able to spend the budget approved by council.

Spatial and IDP Mapping

The municipal Spatial Development Framework (SDF) is in place and approved and will be used to develop !Kheis municipal area in the long term. Further work will be done on the SDF and will be implemented with the approved SDF. The IDP Project Spatial maps are included and indicate current and future development of the municipal area.

Disaster Management

The formulation and implementation of a Disaster Management Plan forms part of the Municipality's IDP process. The purpose of this Disaster Management Plan [Disaster Management Act 57 Sect 53[(2)] is to ensure that there is Disaster Management at all times enhancing the Municipality's ability to prevent and to deal with disasters and to avoid development that is considered high risk in terms of the potential for disasters.

This chapter gives an indication on the readiness of the municipality in case of a disastrous event. It also identifies projects and programmes that will be implemented to reduce risks and the mitigation measures that are put in place to enable vulnerable groups to be resilient.

Foreword by the Mayor



The Integrated Development Plan (IDP) is a five-year Business Plan of the municipality that gives effect to Section 152 detailing the object of local government as enshrined in the Constitution of South Africa. The SDBIP is the result of the second review of the Fourth Generation IDP that was adopted when the present Council came into Office in August 2016.

When Council took office in 2016, they developed short, medium and long-term goals, which included:

- A program to build qualified, competent and skilled institutional capacity in the administration that will always strive to enhance good governance
- Put systems in place to improve effectiveness and efficiency in all service delivery processes
- Move towards implementing a turnaround strategy plan and Financial Recovery Plan
- Gradually invest in replacement of dated infrastructure and acquisition of new infrastructure to improve service delivery
- Create an enabling environment for business so that we can contribute towards job creation
- Create a caring environment that will foster the social well-being and improved living conditions of our communities

The 4th Generation IDP outlines the strategic objectives, focus areas and development priorities of the municipality. During its strategic planning process, Council designed a set of strategic objectives, which are aligned to the national strategic focus areas, as well as the Provincial Strategic Goals of the Northern Cape Government.

The SDBIP utilises the strategies and priorities to align the performance indicators to the IDP. Its development, implementation and ultimate reporting by means of the Annual Performance Report is a key governance mechanism in the municipality's quest to move towards a clean audit outcome.

However, I must hasten to add that Council had to overhaul the Strategic Objective (SO) since the arrival of Mr. Leeuw as the Acting Municipal Manager because the current objectives in the IDP were not in line with the national strategic focus areas and strategic goals of the Province. The revised strategic objectives and priorities for the five year municipal IDP that will be adopted by Council by the end of May 2019 are:¹

- SO1 To improve and maintain current basic service delivery through specific infrastructural development projects
 - PR 1 Water
 - PR 2 Sanitation
 - PR 3 Integrated Human Settlements

¹ See 2.3 Strategic objectives (2019/2020 IDP Review)

- PR 4 Electricity
- PR 5 Streets and storm water management

SO2 To promote a safe and healthy environment through the protection of our natural resources

- PR 6 Environmental Conservation
- PR 7 Disaster management

SO3 To create an enabling environment for social development and economic growth

- PR 8 Decent employment opportunities and job creation
- PR 9 Youth development
- PR 10 Rural development
- PR 11 Opportunities for women and people living with disabilities
- PR 12 HIV/AIDS awareness

SO4 To grow the revenue base of the municipality

- PR 13 Sound Financial Planning

SO5 To structure and manage the municipal administration to ensure efficient service delivery

- PR 14 Institutional capacity building

SO6 To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication

- PR 15 Ward committees System
- PR 16 Responsive and accountable system of Local Government

Councilor Andries Diegaardt

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Mayor

Foreword by the Municipal Manager

The development of the the Fourth Generation Integrated Development Plan (IDP) for !Kheis in an involved and deliberate process of going back to basics. This second review of the IDP is not a compliance tool but a product of considerable consultation with communities, business, farmer organizations, organized labour and key sector departments doing business in the area of our jurisdiction. The process will not be complete if it is not ratified by its brand ambassadors, TEAM !KHEIS, the Councilors, Management and Staff of the municipality.

The objects of Local Government as outlined in Section 152 of the Constitution are the pillars and building blocks that underpin our **Strategic objectives and Key Performance Areas** in the pursuit of delivering better services for all in the municipality.

The objective of !Kheis Municipality is to provide access to **reliable infrastructure** that will contribute to a higher quality of life for the greater !Kheis citizens. There is an urgent need for the Municipality to upgrade and maintain its infrastructure and the municipality is in the process of finalizing an Integrated Municipal Infrastructure Plan to deal specifically with its six Water Treatment Works.

Electricity is the **main energy source** of households within this municipal area. There's a need to develop an electricity master plan to provide for future expansion of additional 5 megawatts and to offset its current shortage of 250 amps which have stalled the construction of medium size shopping complex in Sternham. The municipality has applied for INEP to connect additional 800 households over the next three years. Construction of a new mini library in Wegdraai will commence in the 2019/2020 financial year and will be completed in June 2020. EPWP funding will be utilized to pave the internal roads to give the Central Business District a facelift and easy access to the soon to be constructed Shopping Complex.

The objective of the municipality is to **provide basic services** to all its residents and to improve community relationships. The delivery of municipal services in electricity, water, sanitation, refuse, roads and storm water is a key function of the municipality. We finalized the appointment of a service providers for bulk water supply in Groblerhoop and Boegoeberg as well sewer reticulation in Sternham.

A Traffic Safety and revenue plan will be developed during the 2019/20 financial year, with the assistance of the Provincial Treasury and Department of Local Government.

The municipality will review the status of preparedness and contingency plans associated with the prevailing risks identified in the area and to reflect possible risk reduction projects during the 2019-2022 financial years. The municipality aims to also develop a traffic by-law during the 2019/2020 financial year.

The !Kheis **local economy** is built on the opportunities created by farming along the wine route and an internationally accredited abattoir in the area. It is however essential that the tourism industry be developed and investment into this industry be promoted to ensure further growth. The municipality is in the heart of the solar corridor and further investment will be encouraged to stimulate growth and downstream activities in real estate, retail and financial services to service the migration of new skills and people in the area.

One of the key factors to the success of a municipality is to be stable, well-managed and efficient. The municipality will **promote efficient and effective governance** with high levels of stakeholder participation. The political and administrative leadership of !Kheis municipality will position itself to manage competing demands for limited resources in a fair equitable and efficient manner.

The municipality will draft and update all municipal policies, strategies and operational plans over the next three years. The municipality will improve communication of the vision, strategy and plans both internally and externally, to keep staff informed, capacitated and to manage the expectations of the community.

The objective of the municipality is to **provide an efficient workforce** by aligning institutional arrangements to the overall strategy. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority. The municipality will also develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilation of new policies.

The new strategy will also assist the municipality amongst other with the most effective placement of employees. An Individual Performance Management programme for all managers/supervisors up to the third level of reporting will also be implemented. The municipality has developed a Work Place Skills Plan (WSP) of which the main objective is to ensure that there is staff development through training interventions for all levels of staff.

The objective of the municipality is to strive towards a **financially sustainable municipality**. !Kheis municipality has a duty to improve financial management across expenditure, revenue, assets, supply chain, debt and financial reporting streams to determine the most effective way of solving its financial problems. Due to the challenges the municipality has been and is still experiencing, we have made a submission for Financial Recovery Programme to National Treasury which has been supported by Provincial Treasury after the Mid-Term assessment process. The Municipality will review the budget and expenditure management systems to ensure that efficient and effective service delivery is in line with municipal wide priorities.

We invite possible donor funders, investors in real estate, tourism products and green energy to look at !Khies as an emerging market with a unique selling proposition and potential for high returns on investment. The fact that the Municipality was given the name !Kheis (**A place to live**) is indeed an acknowledgment to the native people who first migrated to this area, and has now become our Brand Promise for anyone who wants to live, work, invest and do business here.



Mr JTF Leeuw

Municipal Manager

PART A:

Chapter 1:

- 1.1 Introduction: Strategic Planning
- 1.2 Legislative Framework
- 1.3 IDP Processes
- 1.4 !Kheis Municipal KPA's
- 1.5 Public Participation Sessions
- 1.6 Public Needs Analysis

Chapter 1

Introduction: Strategic Planning

1.1 Integrated Development Planning

This document represents the second review of !Khies Municipality Integrated Development Plan (IDP) for the current planning and implementation time-frame, being the budgetary periods. The second review of the IDP must be read together comprehensive with the five-year IDP and the set of municipal wide sector plans.

The plan will look at economic and social development for the area as a whole. It must set a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected. Integrated Development Planning is the strategic tool of a local municipality, designed to bring together and to harmonize individual plans of the municipality's departments. The plan guides all future development of the municipality by setting priorities, allocating resources and defining periods and indicators.

The IDP is a Corporate Plan of 5 years that is directly linked to the council's elected term of office. After every local government election, the new Council has to prepare its IDP in terms of the strategic planning and development cycle. The IDP should be based on long-term spatial, infrastructure and finance plans. The standards of service delivery, financial planning and reporting will therefore be monitored through an effective performance management system.

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDP's that not only comply with relevant legislation but –

- owned by local leadership, municipal management and community as the single strategic plan to direct resources within the municipality;
- driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;
- contain a long-term development strategy guiding investment across the municipal area;
- provide an investment plan for national, provincial and local government and nongovernmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders; and
- include local area plans to localise the strategy and implementation of the IDP.

This schematic diagram is to inform and guide how the strategic cycle for the five-year term (2017/2022) will be implemented through revision of the IDP annually:



Figure1: IDP strategic planning cycle

his IDP guides all future developments of the municipality by setting priorities, allocating resources and defining periods and indicators. In preparing the IDP the municipality has set out to develop an IDP which aims to foster more effective service delivery by providing the framework for economic and social development in terms of the municipal mandate. In doing so, it contributes toward the notion of a developmental local government that fosters a culture of co-operative governance. !Kheis Municipality strives to continue to develop the IDP as an effective management tool of which the aim is:

- Creating a greater level of focus and thereby improving on the strategic nature of the document;
- Aligning this strategic document with the realities of financial and human resources;
- Alignment of the IDP with the activities of the sector departments
- Alignment of the IDP with the various sector plans

1.2 IDP Legislative Framework

The mandate of the municipality is provided for in section 152 of the Constitution of South Africa that stipulates the objectives for developmental local government, namely:

- to provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in matters of local government.

Although the implementation of the IDP is monitored through the performance management system, an annual process is required to check the relevance of the strategic plan within a dynamic environment.

The IDP is given legal status by the following primary and secondary legislation and regulations:

- The Municipal Systems Act 32 of 2000 (referred to as MSA)
- The Municipal Finance Management Act No. 56 of 2003 (referred to as MFMA)
- Municipal Planning and Performance Management Regulations, 2001: Department of Provincial & Local Government

The Municipal Systems Act 32 of 2000 requires that all Municipalities must prepare and adopt an Integrated Development Plan (IDP) and must subject it to an annual review. In terms of Chapter 5, Section 25, all Municipalities must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the Municipality. Section 34 of the same chapter requires a Municipality to review the IDP annually and, where necessary, to amend the plan in accordance with a prescribed process.

In addition to the requirement for every Municipality to compile such an Integrated Development Plan, the Municipality is also required to monitor and evaluate its performance. Section 34 of the MSA deals with the review and amendment of the IDP:

A Municipal Council must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements in terms of Section 41; and to the extent that changing circumstances so demand; and may amend its Integrated Development Plan in accordance with prescribed processes.

The IDP has to be reviewed annually in order to:

- Ensure its relevance as the Municipality's strategic plan;
- Inform other components of the Municipal business process including institutional and
- financial planning and budgeting;
- Inform the cyclical inter-governmental planning and budget cycle.

The Local Government: Municipal Planning and Performance Management Regulations, 2001 states in Chapter 2 that the IDP review and amendment process must adhere to the public participation requirements as outlined in Chapter 4 of the MSA.

Section 16(1) of the MSA requires that a Municipality must develop a culture of Municipal governance that complements formal representative government with a system of anticipatory governance, and must for this purpose encourage, and create conditions for, the local community to participate in the affairs of the Municipality.

Regulation 2(4) of the Local Government Municipal Planning and Performance Management Regulations, 2001 requires that:

- only a member or committee of a municipal council may propose an amendment to the IDP;
- the proposal to amend must be accompanied by a reason and be aligned with the district IDP;
- the amendment is adopted by a decision of the Municipal Council;
- all the members of the council be given reasonable notice;
- the proposed amendment/s be published for public comment for a period of at least 21 days in a manner which enables the public to make representations in this regard; and the applicable district Municipality be consulted.

During 2003 the Municipal Financial Management Act (MFMA) was enacted which specifies a number of time frames for the tabling and adoption of the Municipal Budget and amendments to the IDP. In terms of Section 16 and 17, the Mayor must, at a Council meeting not later than the 31st of March each year, table any draft and proposed amendments to the IDP with the draft budget. In terms of Section 24 of the MFMA, the municipal council must at least 30 days before the start of the budget year consider the approval of the annual budget. Both pieces of legislation (Municipal Systems Act and the Municipal Financial Management Act) emphasize the close relationship between the budget processes.

1.3 IDP Processes

**2019/20 IDP AND BUDGET PROCESS TIME-SCHEDULE,
FOR THE APPROVAL OF THE 2017/2022 IDP, BUDGET AND SDBIP FOR 2018 / 2019 FY:
Required in terms of Section 21(1) (b) of the MFMA**

JULY 2018 – JUNE 2019														
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>Internal Process:</u> Assess the 2018/19 IDP & Budget process to address deficiencies, improvements and ensure integration and alignment of processes for 2018/19 - 2020/2021	IDP Manager & Chief Financial Officer												29	
<u>MFMA S21(1)(b):</u> Draft 2019/20 IDP and Budget process time schedule outlining the steps and timeframes for compilation of the 2017/22 IDP, 2018/2019 Budget and two outer year's Budget and SDBIP	IDP Manager & Chief Financial Officer	17												
<u>Internal Process:</u> Municipal Strategic Session to deliberate on (a) the 20/ 30 year Spatial Development Plan (SDP) and (b) high level strategic issues to redefine Council's short term Strategic Agenda to implement SDP.	Municipal Manager Directors Executive Mayor EXCO Members													

		24/25												
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>Internal Process:</u> Attend District IDP Managers Forum Meeting-Discuss outcomes of IDP and Budget Assessments, Challenges and District Interventions into IDP and budget planning for the review process.	IDP Manager	26												
<u>MSA:</u> Ward Committee Meetings to review the prioritisation of community needs in approved IDP and discuss the process for developing Neighbourhood Plans: Communicate final approved 18/19 Budget, Tariffs and IDP to Ward Committees.	Speaker	24												
<u>MSA S21:</u> Consider MEC comments and recommendations on assessment of initial IDP Document and IDP processes followed.	Municipal Manager Directors IDP Manager	31												
<u>MFMA S53(1)(c)(iii):</u> Signing of 2018/19 performance contracts for Section 57 Managers and Submission to the Mayoral Committee Signing of lower levels staff performance agreements.	Municipal Manager	31												

Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
Internal Process: Prepare and finalise Departmental Plans	Municipal Manager Directors	31												
MSA and MFMA: Final Section 57 Managers 2018/19 Performance Assessments Final Performance Assessments of lower level staff	Municipal Manager Executive Mayor	31												
Internal Process: Finalise logistic processes in respect of each of the IDP and budget meetings and table a business plan to Management in this regard.	IDP Manager	31												
MSA CH 5: Convene IDP and Budget Steering Committee Meeting. (Dry Run) Final Discussion of Public Participation Meeting Processes.	IDP Manager		15											
Internal Process: Operational Budget: Salary/Wages schedules to Directors for scrutiny & Corrections	CFO Directors		21											
MSA Ch5 S29: IDP Public Participation Meetings. Communicate Capital Projects per Ward on 18/19 budget, Reconfirm / review service delivery/development priorities.	IDP Manager Directors Speaker Ward Councillors Mayor		20 - 24											

Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>MSA Ch5 S24:</u> Consult Sector Departments to establish programme/Projects for 5 years – Inter-governmental engagements on IDP and Budget	IDP Manager CFO		27 - 31											
<u>MFMA S28, MBRR S23:</u> Adjustment of Budget Rollovers; changes on SDBIP and KPI'S as per Adjustment Budget	CFO Director Corporate Services		28											
<u>MFMA S21(1)(b):</u> Tabling of and briefing Council on the Draft 2019/20 IDP/Budget Process Plan for approval, including time schedules for IDP/Budget Public participation meetings.	IDP Manager Chief Financial Officer		29											
<u>MSA and MFMA:</u> Advertise the budget process and dates of IDP/Budget Public meetings on Municipal Website, Municipal Newsletter and Local Newspapers	IDP Manager Municipal Manager			14										
<u>Internal Process:</u> Attend District IDP Managers Forum Meeting. Develop uniform guidelines for IDP/Budget review.	IDP Manager Municipal Manager			21										
<u>MFMA S28 (7):</u> Forward adjustment budget (hard and electronic copies) to National Treasury and Provincial Treasury after approval.	CFO			14										

<u>Internal Process:</u> Review of Municipal Strategic Plan Workshop with Council: Review Municipal KPA and Strategic Objectives	Municipal Manager Directors Council			21										
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Activity	Responsible Person	Jul	Aug	Sep t	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>Internal Process:</u> Operational Budget: Salary/Wages schedules with corrections and recommendations to be returned to Finance Department	Directors CFO			28										
<u>Internal Process:</u> Attend Quarterly Provincial IDP Manager Forum Meeting in preparation for IDP Indaba 2	IDP Manager			28										
<u>Internal Process:</u> Two Day Neighbourhood Development Session with Wards to prepare Draft Neighbourhood Development Plans	IDP Manager				1 & 2									
<u>Internal Process:</u> Directorates to be provided with the previous financial year 5 year Capital Plan in order to be able to indicate any changes that need to be made and identify any new projects that needs to be added for the compilation of the Draft Capital Budget	CFO Directors				5									

<p><u>MSA:</u> Ward Committee Meetings: Discuss, scrutinise community needs as outcome of IDP/ Budget public engagement sessions to IDP forum. (IDP forum consolidate requests from all wards where after projects prioritized in line with available funding over five year period) Escalate community needs relating national/ provincial mandates to relevant organ(s) of state.</p>	IDP Manager				8 - 19									
<p><u>Internal Process:</u> Review and costing of municipal rates and tariffs. Preparation of tariffs and bulk resource (water (Water Board), electricity (NERSA), etc.) engagement documentation.</p> <p>Directors to be provided with the previous year's operating expenditure / income actual and current year projections to be used as a base for new Operating Budget. (CFO will further submit budget guidelines to Budget Steering Committee for approval. Guidelines to include deadline dates by which Directorates have to meet as well as submission of requests per line item with a zero based budget)</p>	CFO Directors Budget Steering Committee				17									

Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
Internal Process: Attend District Stakeholders Engagement Session to inform Sector Departments and Stakeholders of IDP/Budget needs analysis.	IDP Manager				16									
Internal Process: Table Revised Strategic Plan in Council for approval	Municipal Manager				31									
Internal Process: Review Municipal Spatial Development Framework	Director Planning and Development				30									
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
MFMA S52(d): Submit Quarterly Report (July 2018 – September 2018) on implementation of budget and financial state of affairs to Council	Mayor / CFO				30									
MFMA S28: Engagements with Provincial Government regarding any adjustments to projected allocations for next 3 years in terms of the MTREF	CFO Directors				30									
MSA: Updating and review of strategic elements of IDP in light of the focus of Council	IDP Manager				30									

Internal Process: Operational Budget: Income / Expenditure inputs and statistics to be returned to Budget Office	Directors/CFO					16								
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Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
MSA: Directors Identify/Create Projects as outcome of the prioritisation of development needs during IDP public engagements sessions within projected budget allocations.	CFO Directors					5 - 23								
MSA: Convene IDP/ Budget Steering Committee Meeting: Identify projects per Ward with Budget Allocations; prioritise implementation and integration where possible.	IDP Manager IDP Steering Committee					23								
MSA & MFMA: Review Municipal Strategies, objectives, KPA's, KPI's and targets. - Identification of priority IDP KPI's incorporate in IDP and link to budget	IDP Steering Committee CFO					23								
Internal Process: Capital Budget: Inputs from the different Directorates to be returned to the Budget Office	Directors/CFO					26								

Internal Process: Executive management articulates outcomes, objectives, priorities and outputs desired for next three years and submit capital budget project proposals for draft IDP Review document to Budget Office	Budget Steering Committee Executive Management					30								
Internal Process: Based on financial statements of 2017/18 determine municipality's financial position & assess its financial capacity & available funding for next three years	CFO					30								
Internal Process: Finalise Salary Budget for 2018/19	CFO					30								
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
Internal Process: Finalise preliminary projections on operating revenue and expenditure budget for 2018/19	CFO						10							
MSA: Convene IDP Representative Forum Meeting to give feedback and discuss outcome of Budget steering committee meeting	Municipal Manager IDP Manager CFO						13							
MFMA & MSA: <i>Workshop 1:</i> draft IDP, Budget and proposed tariffs and SDBIP with Council. Provide progress update to council against IDP/Budget	Mayor Municipal Manager IDP Manager CFO					30	01							

process schedule and obtain approval for any adjustments to process.														
<u>Internal Process:</u> Finalise expenditure on operational budget for the budget year and two outer years.	CFO						21							
<u>MSA:</u> Conclusion of Sector Plans and integration into the IDP document.	IDP Manager						21							
<u>MSA:</u> Finalise departmental Plans and link to IDP	IDP Manager Directors						21							
<u>MFMA:</u> Request and / or follow-up with Water Board/ NERSA/ other Bulk Service providers for feedback on proposed municipal 2017/18 – 2018/19 tariffs and engagement documentation submitted in Nov 2018	CFO							15						
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>MFMA S127(2):</u> Tabling of 2017/18 Annual Report to Council	Municipal Manager							31						
<u>MSA S29:</u> Convening Budget Steering Committee Meeting for the purpose to discuss and prioritise draft Capital projects for the next three years	Budget Steering Committee							31						
<u>Internal Process:</u>	IDP Manager IDP Steering Committee							31						

Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
MFMA s20: Review tariffs and charges and determine affordable tariffs and finalise income budget.	CFO								22					
Internal Process: Attend Provincial IDP INDABA Incorporate Sector Departments Projects in Draft IDP.	IDP Manager Directors								22					
MFMA21(2)(c) : Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget, e.g. Grant Allocations	Municipal Manager CFO								18 - 26					
Internal Process: Attend District IDP Managers Forum Meeting to discuss the alignment of IDP Strategic Development Goals with ZFM DM. Draft IDP Presentations.	IDP Manager								28					
MBRR S4: Present Draft IDP and Budget to Steering Committees for quality check	IDP and Budget Steering Committees								28					
Internal Process: Submit first draft IDP to ZFM DM for Horizontal Project alignment between the ZFM DM and !Kheis Local Municipality	IDP Manager								28					
MBRR S23: Table Adjustment Budget to Council for approval	Municipal Manager								28					

<u>MFMA 28:</u> Amend IDP, SDBIP, KPI's and performance agreements into adjustment budget.	Municipal Manager Directors									28				
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>MBRR 4:</u> Present Draft IDP and Budget to Steering Committees for quality Check (Including recommendations / adjustments made at meetings of 28 February 2019)	IDP and Budget Steering Committees								28					
<u>Internal Process:</u> <i>Workshop 2:</i> draft IDP, Budget and proposed tariffs and SDBIP with Council. Provide progress update to council against IDP/Budget process schedule and obtain approval for any adjustments to process.	IDP Manager CFO								28					
<u>MBRR 24:</u> Forward Adjustment Budget (hard and electronic copies) to National and Provincial Treasury after approval	CFO									15				
<u>MBRR 24:</u> Publication of approved Adjustment Budget after approval per MSA and on municipal website	CFO									15				
<u>Internal Process:</u> Municipal Manager presents final draft IDP, Budget, SDBIP and Budget	Municipal Manager													

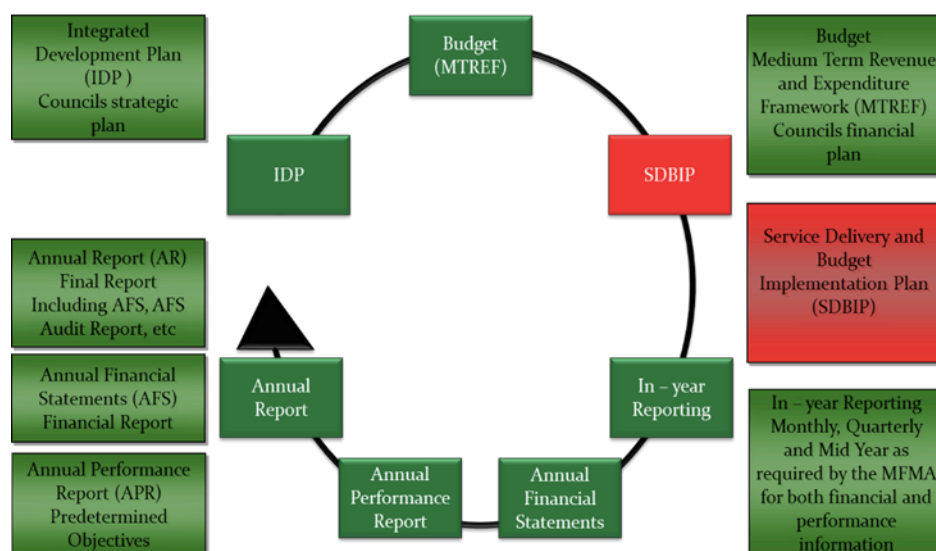
related policies to the Mayor for perusal and tabling to Council										21				
Internal Process: Municipal Manager submit draft IDP, Budget, and Related Policies to Director Corporate Services for inclusion in Council Meeting Agenda	Municipal Manager									21				
MFMA S16: Table (<i>and briefing of council</i>) draft IDP, Budget, SDBIP and Related policies and proposed schedule of Ward Committee Meetings for IDP & Budget Feedback/Consultation Process to Council (Principal Approval)	Municipal Manager									29				
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
MFMA: Training workshop for councillors to equip councillors for Public participation meetings. Briefing of councillors on logistical arrangements for public participation meetings.	Municipal Manager And Sec 57 Managers, etc.									29				
MFMA S129(1): Council to Consider and adopt an oversight report on 2017/18 Annual Report	Municipal Manager									29				
MBRR S15 / MFMA S22: Advertise & Inviting public comments on Draft Budget, Proposed Tariffs, and IDP Place copies of Draft Budget and IDP at all municipal buildings.	Director Corporate Services CFO										2 - 18			

<u>MFMA S22(b):</u> Forward Copy of preliminary approved Budget ,IDP, SDBIP & related documents (hard and electronic copies) to National & Provincial Treasury – 10 working days after tabling	CFO, IDP Manager										12			
<u>Internal Process:</u> Attend District IDP Managers Forum- Present Draft IDP for input.	IDP Manager										18			
<u>MBRR S15 / MFMA:</u> S23Public Consultation Meetings: Feedback / Consultation on preliminary approved IDP & Budget (Details as per Annexure A)	Municipal Manager Directors										2 - 18			
<u>MFMA CH 5:</u> Engagement with the Provincial Treasury on draft budget benchmark	Municipal Manager										25			
Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>MBRR S16(1)(a):</u> CFO and Director Corporate Service analyse public and Ward Committee comments and inputs on Draft IDP and Budget and prepare recommendations for Council's perusal	CFO Director Corporate Services										30			
<u>MFMA s52(d):</u> Submit Quarterly Report (Jan 2019 – Mar 2019) on implementation of budget and financial state of affairs to Council	Executive Mayor										30			

<u>MBRR 16(1)(a):</u> Council considers public and Government Departments' comments and inputs and revised IDP, Budget and SDBIP if necessary.	Municipal Manager											2 - 9		
<u>MBRR 4:</u> Present Final IDP, Budget and final draft SDBIP to Steering Committees for quality Check (Including recommendations made by all stakeholders and Council)	IDP and Budget Steering Committees											17		
<u>MFMA S24(1):</u> Table final IDP, budget & related documents to Council for approval	Municipal Manager											31		
<u>MBRR S18:</u> Inform local community on approved IDP and Budget Detail – Place Newspaper Article and Copies at Libraries	Municipal Manager												12	
<u>MFMA S24(3):</u> Send copy of approved Budget, IDP, & related documents (incl. final draft SDBIP) to National and Provincial Governments and other stakeholders Ensure Signed Quality Certificate as per S5 of MBRR is also attached.	CFO IDP Manager													12

Activity	Responsible Person	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<u>MFMA S75(1)(a):</u> Publication of Approved Budget and IDP within 10 workings days on Municipal Website	CFO IDP Manager												14	
<u>MFMA S69(3)(a):</u> Submit draft SDBIP to Mayor within 14 days after approval of budget	Municipal Manager												20	
<u>MFMA S(53)(1)(c)(ii):</u> Mayor approves the municipality's SDBIP within 28 days after the approval of the budget and submit hard and electronic copy to NT and PT	Executive Mayor												28	
<u>Internal; Process:</u> Place approved IDP, budget, SDBIP and related documents on CD for all councillors and distribute.	IDP Manager												28	

Planning, Implementation & Reporting Cycle



1.4 !Kheis Municipality's Key Performance Areas (KPA's)

Taking cognisance of the political, national, provincial and district policies and plans, the following KPA's were identified for !Kheis and adopted by Council:

- **KPA 1:** Basic Service Delivery
- **KPA 2:** Local Economic Development
- **KPA 3:** Municipal Financial Viability and Transformation
- **KPA 4:** Municipal Transformation and Organizational Development
- **KPA 5:** Good Governance and Public Participation

The key performance area (KPA's) above has been translated into the follow strategic and development objectives for !Kheis Municipality:

IDP PRIORITIES

SO1: To improve and maintain current basic service deliver through specific infrastructural projects

- PR1 Water
- PR2 Sanitation
- PR3 Electricity
- PR4 Streets and Storm water management
- PR5 Human Settlements

SO2: To promote a safe and healthy environment through the protection of our natural resources

- PR6 Environmental conservation – refuse removal, parks etc.
- PR7 Disaster management

SO3: To create and enabling environment for social development and economic growth

- PR8 Facilitate decent opportunities for job creation
- PR9 Rural development

PR10 Youth development
 PR11 Opportunities for women and people living with disabilities
 PR12 HIV/AIDS awareness

SO4: To grow the revenue base of the municipality

PR13 Sound financial planning

SO5: To structure and manage the municipal administration to ensure efficient service delivery

PR14 Institutional capacity building

SO6: To encourage community participation in the matters of the municipality

PR15 Ward Committee system

PR16 Responsive and accountable system of local government

The key performance areas (KPA's) above has been translated into the follow strategic and development objectives for !Kheis Municipality:

SFA#	KEY PERFORMANCE AREA (KPA)	SO#	STRATEGIC OBJECTIVE
SFA1	Basic Service Delivery	SO1	To improve and maintain current service through infrastructure development
		SO2	To promote a safe and healthy environment through the protection of natural resources
SFA2	Local Economic Development	SO3	To create an enabling environment for social development and economic growth
SFA3	Municipal Finance Viability and Transformation	SO4	To grow the revenue base of the municipality
SFA4	Municipal Transformation and Organisational Development	SO5	To structure and manage the municipal administration to ensure efficient service delivery
SFA5	Good Governance and Public Participation	SO6	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication

1.5 Public Participation sessions

The process was informed by -community based planning which resulted in prioritising the needs of the community; an analysis of the current status of service delivery and the environment; and various stakeholder engagements.

The municipality has clearly demonstrated its effort to promote participative democracy in the developing of its by-laws, planning applications as well as other planning processes

The purpose of this initial round of public participation was:

- To discuss the process to be followed for the outer financial years
- To consult on the content for the IDP review and what components of the IDP should be reviewed
- Identify the current needs per ward and how the prioritisation will take place

1.6 Public Needs Analysis (Generic Needs)

- **KPA 1:** Basic Service Delivery
- **KPA 2:** Local Economic Development
- **KPA 3:** Municipal Financial Viability and Transformation
- **KPA 4:** Municipal Transformation and Organizational Development
- **KPA 5:** Good Governance and Public Participation

KPA	REQUESTS	WARD
KPA 1: Basic Service Delivery	Problems with high mass lights, community fear for safety as all the lights doesn't work.	1,2,3,4
	New residential erven/plots not available	1,2,3,4
	Still poor roads in the new extensions The upgrading of the main road in the town need to be completed	1,2,3,4,3
	Request for halls and community centres focussed on the construction of new halls and community centres.	3
	Housing requests include the request for RDP houses and houses in general.	1,2,3,4
	Electricity for new extensions in all towns	1,2,3,4
	The COGHSTA houses' sanitation is a problem as the toilette facilities does not work at all	1,2
	Town be kept clean and neat at all times, to have a better outlook	3
	Ensuring proper lighting be placed on the N10 to ensure safety	3
	Current and new establishment of sport fields	1,2,3,4
	Ensuring all informal settlement areas be equipped with basic services	4
	Multi-Purpose Centres in all towns	1,2,3,4
	Implementation of Advanced Waste Management Systems that reflect community values around waste minimisation.	3
	Recovery, re-use and recycling of waste is maximised. The volume of waste disposed to landfill is minimised. Life spans of landfill sites are extended.	3
KPA 2: Local Economic Development	Unemployment is still high in the community	1,2,3,4
	Not enough skills development, especially for the youth.	1,2,3,4
	Municipality to provide a Training Centre for youth development	1,2,3,4
	People to be encouraged to work, hence the high unemployment rate	1,2,3,4

	High unemployment in the community (ABET Centre and skills development programs for the youth)	1,2,3,4
KPA3: Municipal Financial Viability and Transformation	Re-look the tariffs on the current budget	1,2,3,4
	The community to be involved in the drafting of the tariff list	3
	Needs to budget for repairs and maintenance of sports facilities, community halls etc.	1,2,3,4
	The timeously distribution of printed municipal accounts	1,2,3,4
	Old debt to be written off	1,2,3,4
KPA4: Municipal Transformation and Organizational Development	ECD Centre burned down, community need it to be reconstructed	1,2,3,4
	More attention and improvement be given to the Tourism Sector	3
	The construction of a mobile Police station as crime is a problem in the area	1,4
	Law enforcement be strengthen in all towns. Poor safety measures at schools.	1,2,3,4
	New Medical centres for Gariep & Opwag	1,3,4
	Current medical facility in Wegdraai be upgraded, as it is not on standard	2
	Current clinic in Boegoeberg need to be finished	4
	Health services is poor especially towards the elderly as the clinic is far and there is no patient transport available, no doctor or nurse available after hours and also poor ambulance services.	3
	Municipality to avail land for the erection and building of pre-school facilities	1,2,4
	Municipality to provide a Training Centre for youth development	1,2,4
	The avail of a plot to build a place for the old people	2
	The eradication of parks in all communities	1,2,3,4
	No fencing for the unused dumping site	3
	The removal of stray animals on the national roads (safety hazard)	1,2,3,4
• KPA 5: Good Governance and Public Participation	The ward councilor to engage with the community regularly	4
	Council to interact with the communities regularly for feedback	1,2,3,4
	Follow-up meetings to be held regularly	3

Throughout the stakeholder meetings, public hearings and other interactions, various needs were identified and will be clustered below in the form of the Key performance areas. Below are the key issues which were communicated to us at the public meetings, relevant stakeholder meetings per ward:

WARD 1 – TOPLINE

COMMUNITY PRIORITY ISSUES

PR NUMBER	PRIORITY ISSUE
PR1	WATER
PR2	ELECTRICITY
PR3	HOUSING
PR4	SANITATION
PR5	REFUSE REMOVAL
PR6	JOB CREATION
PR7	YOUTH DEVELOPMENT

WARD 1 – WEGDRAAI

COMMUNITY PRIORITY ISSUES

PR NUMBER	PRIORITY ISSUE
PR1	WATER
PR2	ELECTRICITY
PR3	HOUSING
PR4	SANITATION
PR5	REFUSE REMOVAL
PR6	RURAL DEVELOPMENT
PR7	JOB CREATION

WARD 2 – GROOTDRINK

COMMUNITY PRIORITY ISSUES

PR NUMBER	PRIORITY ISSUE
PR1	WATER
PR2	SANITATION
PR3	HOUSING
PR4	ELECTRICITY
PR5	REFUSE REMOVAL
PR6	RURAL DEVELOPMENT
PR7	JOB CREATION

WARD 3 – STERNHAM**COMMUNITY PRIORITY ISSUES**

PR NUMBER	PRIORITY ISSUE
PR1	WATER
PR2	SANITATION
PR3	ELECTRICITY
PR4	HOUSING
PR5	ROADS & STORMWATER
PR6	REFUSE REMOVAL
PR7	JOB CREATION
PR8	WOMAN & DISABLED
PR9	HIV AIDS AWARENESS

WARD 4 – BOEGOEBERG / DUINEVELDT**COMMUNITY PRIORITY ISSUES**

PR NUMBER	PRIORITY ISSUE
PR1	HOUSING
PR2	WATER
PR3	SANITATION
PR4	ELECTRICITY
PR5	ROADS & STORMWATER
PR6	REFUSE REMOVAL
PR7	YOUTH DEVELOPMENT
PR8	WOMAN & DISABLED
PR9	HIV AIDS AWARENESS

PART B:

Chapter 2:

- 2.1 Situational Analysis
- 2.2 !Kheis at a Glance

Chapter 2

2.1 Situational Analysis

STRENGTHS	WEAKNESS
<ol style="list-style-type: none"> 1. Stable Council 2. Sound labour relations 3. Sound financial and HR Policies 4. Key personnel with the requisite skills & competencies 5. Effective turnaround time in delivery of services 6. Delivery and distribution of quality drinkable water 7. Active engagement with the community 	<ol style="list-style-type: none"> 1. Bloated salary bill – 48% of OPEX 2. Ageing and outdated IT infrastructure(non-compliant to optic fibre) 3. Aged fleet hampering service delivery 4. Revenue collection 5. Non trainable personnel who are extra to requirements 6. Low community participation re: Ordinary Council meetings
OPPORTUNITIES	THREATS
<ol style="list-style-type: none"> 1. Located within the hub of sun harvesting for green energy 2. Availability of land for socio-economic development 3. Ability to totally go offgrid 4. Future investment in green energy 5. Possibility of stimulating economic growth in the energy sector and create downstream job opportunities in construction and retail 6. Gap market township development and rental stock 7. PPPs to develop tourism products 	<ol style="list-style-type: none"> 1. Inteference by the political office bearers in the region 2. Blurred roles of responsibility by some Councilors 3. ESKOM 4. Theft and pilferage at our water and sanitation sites 5. Shortage of skills in the jurisdiction of the municipality 6. Non compliance with Treasury guidelines by local SMMEs (CSD et.al)

2.2 !Kheis at a Glance

2.2.1 Historic Background

The !Kheis Municipal Area was initially inhabited by the Khoi-San people, whom also had been the first permanent inhabitants of South Africa. The San, who lived a nomadic life, migrated through the area. The Korannas (Khoi group) arrived in the area during the 18th century. They were widely spread over the “Benede Oranje” area and consisted of various tribes, each with its own captain (leader). The groups who lived in the !Kheis area, was under leadership of Captain Willem Bostander and Klaas Springbok. Many of their descendants still live in the area today. Other Khoi-groups, such as the Griekwas, also migrated through the area and intermarried with the Korannas. Later Coloured stock farmers, as well as white hunters and farmers arrived.

The Koronnas tenaciously protected their territory against English invaders, when the English wanted to shift the Colonial Northern Border up to the Orange River. After several Northern Border wars, the Korannas power was broken and several Koranna leaders i.e. Dawid Diederiks, Jan Kivedo (Cupido), Karel Ruyter (Ruiters), Piet Rooi, Klaas Lukas, Jan Malgas, Thomas Pofadder, were caught between 1870 and 1879 by the English and held captive as political prisoners on Robben Island. (The very first people send to Robben Island as political prisoners, were Khoi people). In 1883 Piet Rooi died as a prisoner on Robben Island.

The actions of the English against the Korannas left them without leaders, which largely led to the fall of the Koranna people. The fact that the Municipality was given the name !Kheis (**A place to live**) is indeed an acknowledgment to the native people who first migrated to this area.

2.2.2 Demographics

Table 1: Population by sex, 1996-2016

1996			2001			2011			2016		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
7 521	7 525	15 046	8 196	8 343	16 538	8 408	8 229	16 637	8 378	8 188	16 566

Table 1 shows that the population of Kheis increased by 1 520 people, from 15 046 people in 1996 to 16 566 people in 2016. There were more females than males in the years 1996 and 2001 and more males than females in 2011 and 2016. Over the period from 1996 to 2016, the number of females increased by 663 persons, whilst that of males increased by 857 persons.

Figure 1: Distribution of the population of ZF Mgcawu district by local municipality, 2016

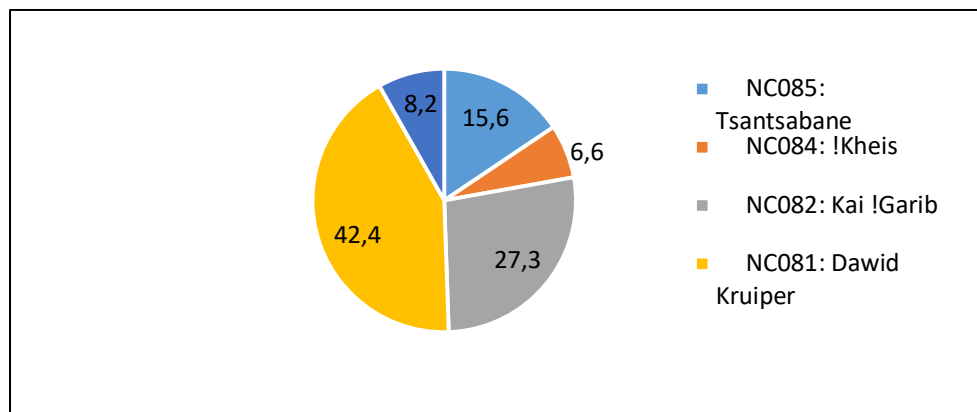


Figure 1 illustrates that Dawid Kruiper accounts for 42.4% of the total population in the district. This is followed by Kai Garib, Tsantsabane, Kgatelopele and Kheis local municipalities which accommodate 27.3%, 15.6%, 8.2% and 6.6% of the total population in the district respectively.

Figure 2: Percentage distribution of the population in Kheis municipality by sex, 2016

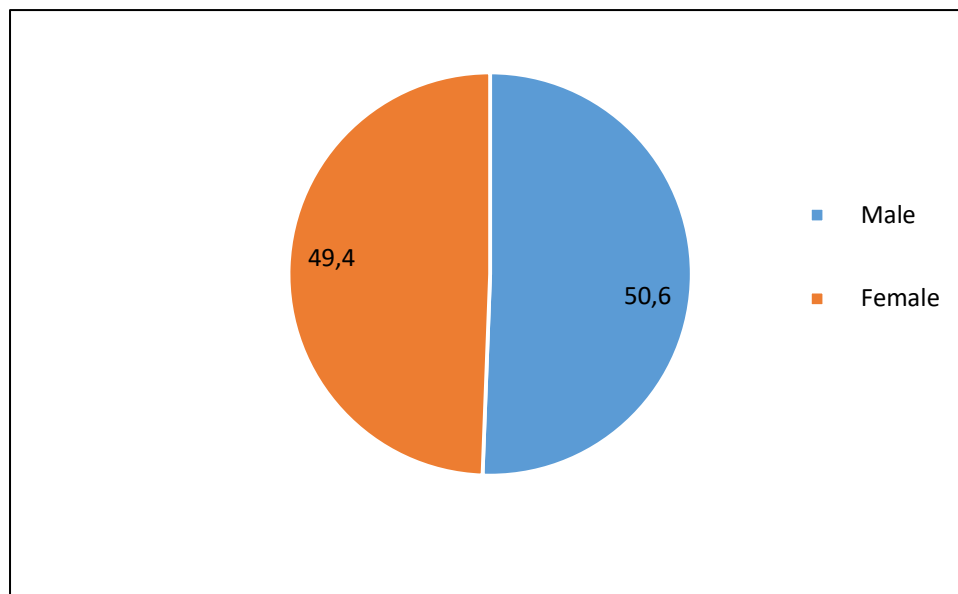


Figure 2 depicts a greater proportion of males than females in Kheis municipality, at 50.6% and 49.4% respectively.

Table 2: Population by group type, 1996-2016

NC084: !Kheis	1996	2001	2011	2016
Black African	423	745	1 144	737
Coloured	13 189	14 198	14 200	14 879
Indian or Asian	-	6	167	79
White	1 279	1 590	901	870
Other	-	-	226	-
Unspecified	155	-	-	-
Total	15 046	16 538	16 637	16 565

Table 2 summarizes the population by group type, where an increase is observed in the Coloured and the Black African population groups. Over the period from 1996 to 2016, an increase of 1 690 persons is observed for the Coloured population group, from 13 189 persons in 1996 to 14 879 persons in 2016. The largest decrease was observed in the White population group which decreased by 409 persons from 1 279 persons in 1996 to 870 persons in 2016. The Black African population group shows an increase of 314 persons from 423 persons to 737 persons over the period 1996 to 2016.

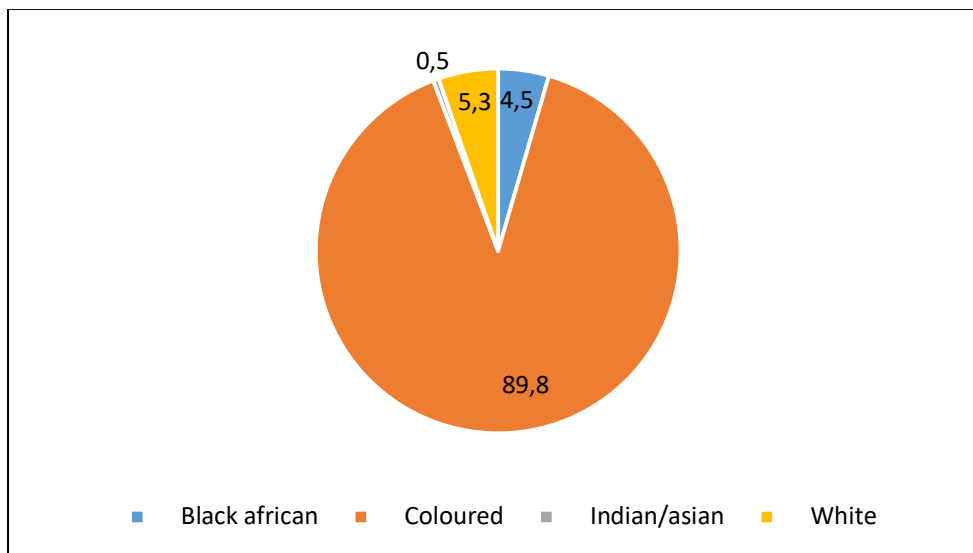
Figure 3: Percentage distribution of the population by group type, 2016

Figure 3 outlines the percentage distribution of the population of Kheis in 2016, where the Coloured population group accounts for 89.8% of the total population in the municipality, followed by the White population group at 5.3%, then the Black African and Indian/Asian population groups each having a share of 4.5% and 0.5% respectively.

Table 3: Population by 5 year age groups and sex, 1996-2016

NC084: !Kheis	1996			2001			2011			2016		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
00 - 04	871	873	1 744	1 055	1 073	2 129	1 010	960	1 970	1 015	921	1 936
05 - 09	879	864	1 743	884	915	1 799	968	991	1 959	839	844	1 683
10 - 14	956	940	1 896	871	898	1 768	971	923	1 894	1 005	1 117	2 122
15 - 19	852	739	1 591	749	776	1 525	746	781	1 527	800	867	1 667
20 - 24	642	670	1 313	693	654	1 348	627	553	1 179	571	612	1 182
25 - 29	586	571	1 157	670	641	1 311	597	593	1 190	592	437	1 029
30 - 34	509	495	1 004	587	603	1 190	694	579	1 274	697	716	1 413
35 - 39	399	459	859	582	536	1 118	577	547	1 124	484	544	1 028
40 - 44	435	450	885	464	512	976	479	484	962	831	557	1 388
45 - 49	370	347	717	426	452	877	494	409	903	356	387	743
50 - 54	239	289	528	352	348	700	335	377	712	408	319	728
55 - 59	213	226	439	239	267	505	321	342	663	211	261	472
60 - 64	218	224	441	235	232	467	243	253	496	226	194	420
65 - 69	136	118	254	177	201	378	142	163	305	114	123	238
70 - 74	78	96	174	96	105	201	101	113	214	138	170	308
75 - 79	46	65	111	66	65	131	64	87	151	43	85	128
80 - 84	21	37	58	32	38	70	12	35	47	36	33	70
85+	13	21	34	17	28	44	28	38	66	12	-	12
Unspec.	57	40	97	-	-	-	-	-	-	-	-	-
Total	7 520	7 524	15 045	8 195	8 344	16 537	8 409	8 228	16 636	8 378	8 187	16 567

Table 3 above summarizes the population composition for Kheis municipality by five-year age groups. It shows a general increase in the population across the age groups between the period from 1996 and 2016 with the exception of those falling in the age groups of 5-9, 20-24, 25-29, 60-64, 65-69, and 85+ years where decreases are observed in the population. In 1996, females outnumbered males in the 0-4, 20-24, 35-39, 40-44, 50-54, 55-59, 60-64, 70-74, 75-79, 80-84 and 85+ age groups. In 2001, the total number of females and males increased, from 7 524 for females and 7 520 for males in 1996 to 8 344 for females and 8 195 for males in 2001. In 2016 the number of males outnumbered that of females in the age groups of 0-4, 25-29, 40-44, 50-54, 60-64, 80-84 and 85+ years.

Figure 4: Distribution of the total population by age group and sex, 2016

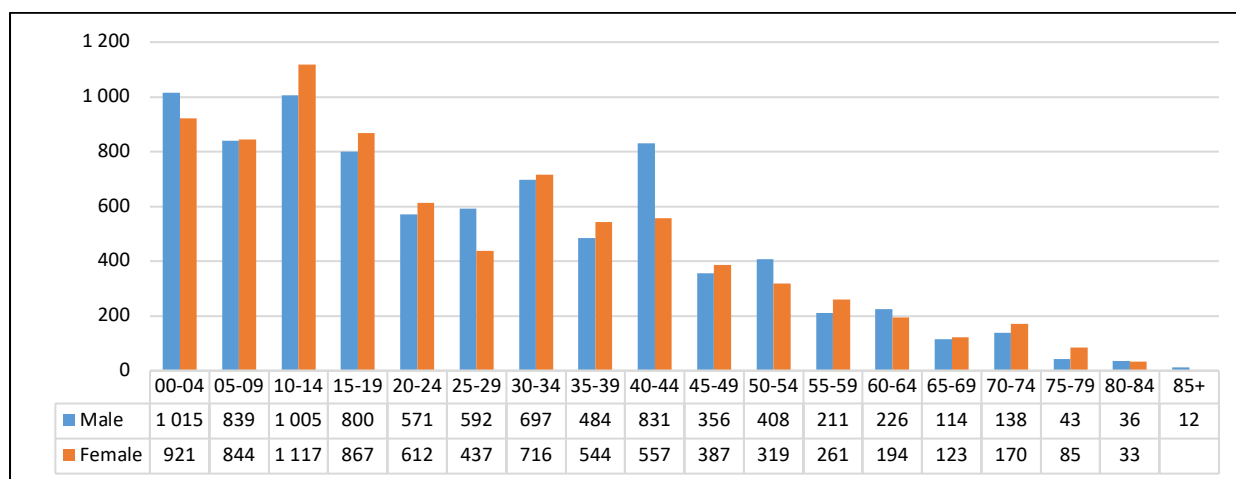


Figure 4 indicates that the greater proportion of the population in Kheis municipality is young, consisting mainly children (0-14 years) and youth (15-34 years).

Figure 5: Distribution of the total population by age and group type, 2016

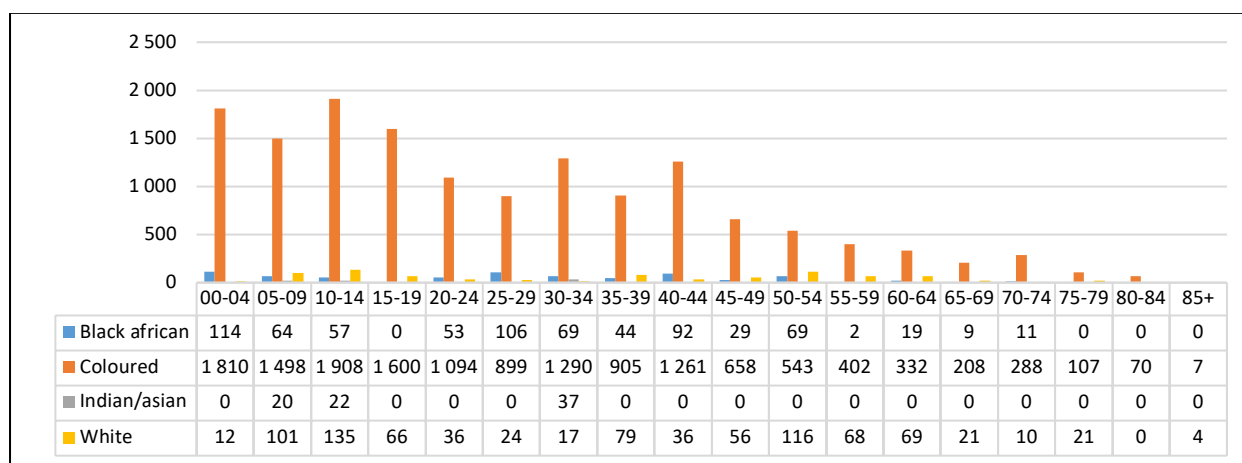


Figure 5 above outlines the population distribution of Kheis municipality by five-year age groups and population group type. It shows that the number of Coloureds across all age cohorts is considerably more than the other population groups combined. The population group with the second most number of persons in the municipality is the Black African population group followed by the White and Indian/Asian population groups respectively.

Table 4: Distribution of persons aged 12 years and older by marital status, 2016

Marital status	Number	%
Legally married (include customary; traditional; religious etc)	2 816	23.5
Living together like husband and wife/partners	1 811	15.1
Divorced	123	1.0
Separated; but still legally married	54	0.4
Widowed	517	4.3
Single; but have been living together with someone as husband/wife/partner before	1 180	9.8
Single; and have never lived together as husband/wife/partner	5 488	45.8
Total	11 988	100.0

Table 4 shows that 45.8% of the population of Kheis is single and have never lived together as husband/wife/partner. This is followed by those who are legally married (include customary; traditional; religious etc.) at 23.5%, and those that are living together like husband and wife/partners (15.1%). About 0.1% of the population is divorced, and 0.4% are separated but still legally married.

Table 5: Distribution of persons aged 1 year and older by language spoken most often in the household, 2016

Language spoken in household	Number	%
Afrikaans	15 795	96.7
English	135	0.8
IsiXhosa	89	0.5
IsiZulu	74	0.5
Setswana	183	1.1
Tshivenda	13	0.1
Other	51	0.3
Total	16 340	100.0

*Excludes "unspecified"

Table 5 shows that the language spoken mostly by households in Kheis municipality is Afrikaans, representing a total of 15 795 (96.7%) of households, followed by those who speak Setswana (1.1%) and English (0.8%). The least spoken language in Kheis is IsiXhosa, IsiZulu and Tshivenda at 0.5%, 0.5% and 0.1% each.

Table 6: Distribution of religious belief, 2016

Religious belief	Number	%
Christianity	16 054	96.9
Islam	52	0.3
Traditional African religion (e.g. ancestral; tribal; animis;etc)	29	0.2
No religious affiliation/belief	4	0.0
Other	427	2.6
Total	16 566	100.0

Table 6 shows that 96.9% of the population in Kheis follows the Christian religious belief, followed by those who follow Islam at 0.3%. About 2.6% of the population classified their religion as 'other'.

Table 7: Distribution of Christian denomination, 2016

Christian denomination	Number	%
Catholic	589	3.7
Anglican/Episcopalian	2 189	13.6
Baptist	7	0.0
Lutheran	49	0.3
Methodist	601	3.7
Presbyterian	24	0.1
Pentecostal/Evangelistic (e.g. Assemblies of God; Born Again Church of God in Christ; Rhema Church; Apostolic Faith Mission; Prophetic Ministry)	3 029	18.9
African Independent Church/African Initiated Church (e.g. Zion Christian Church; Apostolic Church; African Nazareth Baptist Church/Shembe)	646	4.0
Seventh Day Adventist	8	0.1
Mormon (e.g. Church of Jesus Christ of Latter Day Saints)	31	0.2
Reformed church (e.g. Dutch Reformed church; United Reformed Church; Christian Reformed Church)	388	2.4
Just a Christian/non-denominational	164	1.0
Other	8 329	51.9
Total	16 054	100.0

*Excludes "unspecified"

Table 7 shows that 18.9% of the population in Kheis who follow the Christian religion, belong to the the Pentecostal/Evangelistic Church, followed by those forming part of the Anglican/Episcopalian and Catholic Church at 13.6% and 3.7% respectively. The least followed religious denomination are the Baptist and Seventh Day Adventist at 0.0% and 0.1% respectively.

2.2.3 Migration

Table 8: Population by region of birth and population group type, 2016

Region of birth	Black African	Coloured	Indian/Asian	White	Total
Born in South Africa	639	14 849	42	861	16 390
SADC	98	15	-	10	124
Asia	-	-	37	-	37
Total	737	14 864	79	870	16 551

*Excludes "unspecified"

Table 8 shows that the majority of foreign nationals in Kheis municipality are Black African (98 persons) and they are mainly from the SADC region. The Indian/Asian population that is from outside South Africa mainly comes from Asia, with 37 persons residing in the municipality.

Table 9: Top sending countries by sex, 2016

Country	Number			Percent (%)		
	Male	Female	Total	Male	Female	Total
Bangladesh	37	-	37	31.3	-	23.0
Botswana	-	7	7	-	17.5	4.3
Mozambique	17	-	17	14.3	-	10.6
Malawi	40	19	58	33.2	45.2	36.0
Namibia	2	15	18	2.1	37.2	11.2
Zambia	23	-	23	19.1	-	14.3
Total	120	41	161	100.0	100.0	100.0

*Excludes "unspecified"

Table 9 shows that of those that were born outside of South Africa, 36.0% come from Malawi, followed by Bangladesh (23.0%), Zambia (14.3%), Namibia (11.2%), and Mozambique (10.6%).

Figure 6: Percentage distribution of persons born outside South Africa by age group, 2016

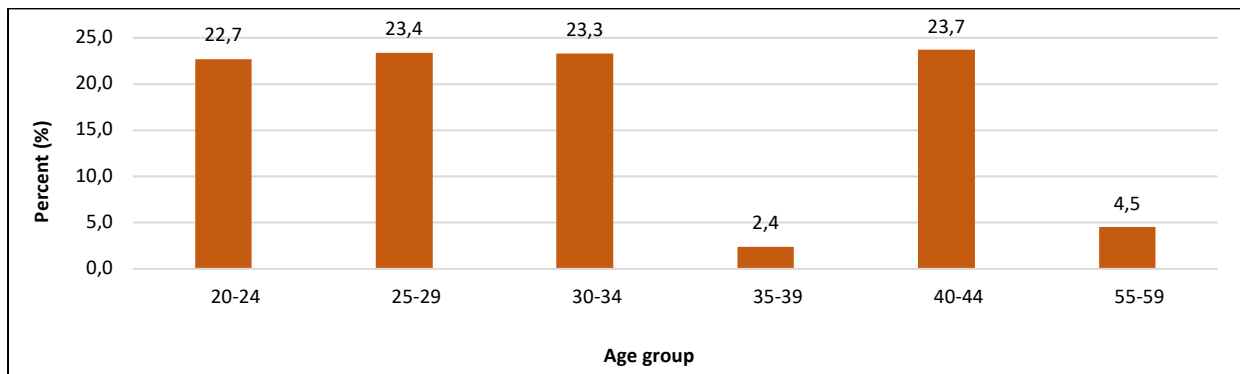


Figure 6 shows that the majority of foreign nationals residing in Kheis are mostly young, between the ages 20 to 34 years (69.4%).

Table 10: Reasons for moving to current place of residence, 2016

Reasons for moving to current place	Number	%
Education(e.g. Studying; schooling; training)	32	9.6
Job transfer/take up new job opportunity	10	3.0
Look for paid work	101	30.1
Moving as a household with a household member (for health	41	12.2
Moving to live with or be closer to spouse (marriage)	92	27.5
Other business reasons(e.g. expansion of business)	59	17.7
Total	336	100.0

*Excludes "do not know" and "unspecified"

Table 10 shows that among other reasons why people had moved to their current place of residence in Kheis, it's mainly to look for paid work (30.1%), moving to live with or be closer to spouse(marriage) (27.5%), and for other business reasons (e.g. expansion of the business) (17.7%) and education(9.6%).

2.2.4 Disability

Table 11: Disability type and degree of difficulty in functioning by sex, 2016

Disability type	Degree of difficulty	Male	Female	Total
Seeing	No difficulty	6 488	6 234	12 722
	Some difficulty	684	890	1 574
	A lot of difficulty	179	142	322
	Cannot do at all	12	-	12
	Do not know	-	-	-
	Total	7 363	7 266	14 630
Hearing	No difficulty	6 909	6 831	13 740
	Some difficulty	364	345	708
	A lot of difficulty	90	77	168
	Cannot do at all	-	14	14
	Do not know	-	-	-
	Total	7 363	7 266	14 630
Communication	No difficulty	7 197	7 041	14 238
	Some difficulty	139	152	290
	A lot of difficulty	27	74	101
	Cannot do at all	-	-	-
	Do not know	-	-	-
	Total	7 363	7 266	14 630
Walking or climbing stairs	No difficulty	6 923	6 722	13 645
	Some difficulty	301	378	679
	A lot of difficulty	139	156	295

	Cannot do at all	-	11	11
	Do not know	-	-	-
	Total	7 363	7 266	14 630
Remembering	No difficulty	7 083	6 957	14 039
	Some difficulty	223	218	441
	A lot of difficulty	58	92	149
	Cannot do at all	-	-	-
	Do not know	-	-	-
	Total	7 363	7 266	14 630
Self-Care	No difficulty	7 107	7 025	14 132
	Some difficulty	203	210	413
	A lot of difficulty	53	20	74
	Cannot do at all	-	11	11
	Do not know	-	-	-
	Total	7 363	7 266	14 630

*Excludes "unspecified"

Table 11 shows that the majority of persons in Kheis are mainly suffering from a sight disability/impairment, with about 322 persons having a lot of difficulty with seeing. This is then followed by those with a walking disability/impairment, where about 295 persons reported as suffering from such impairment, and those with a hearing impairment with 168 people reporting a lot of difficulty with hearing. Males are generally more prone to having disabilities than females in the municipality.

2.2.5 Education

Table 12: Highest level of education for person's aged 20 years and above, 1996-2016

	No schooling	Some primary	Complete primary	Some secondary	Grade 12/Std 10	Higher	Total
Number							
1996	2 103	2 346	911	1 660	520	311	7 851
2001	2 072	2 795	1 004	2 120	972	355	9 317
2011	1 232	2 360	894	2 945	1 278	413	9 122
2016	1 062	1 689	873	3 526	1 638	315	9 101
Percent (%)							
1996	26.8	29.9	11.6	21.1	6.6	4.0	100.0
2001	22.2	30.0	10.8	22.8	10.4	3.8	100.0
2011	13.5	25.9	9.8	32.3	14.0	4.5	100.0
2016	11.7	18.6	9.6	38.7	18.0	3.5	100.0

*Excludes "do not know" and "unspecified"

Table 12 shows an improvement in the level of education in Kheis over the period 1996 to 2016, where there was a decline in the percentage of people aged 20 years and above with no schooling from 26.8% in 1996 to 11.7% in 2016. There is also an increase observed in the percentage of people having a matric qualification over the period from 1996 to 2016 from 6.6% to 18.0%.

Table 13: Highest level of education by population group for persons aged 20 years and above, 2016

	No schooling	Some Primary	Complete Primary	Some Secondary	Grade 12/Std 10	Higher	Total
Number							
Black African	103	85	63	109	126	16	502
Coloured	959	1 603	807	3 381	1 164	121	8 035
Indian/Asian	-	-	-	-	19	19	37
White	-	-	2	36	329	160	527
Percent (%)							
Black African	20.5	17.0	12.6	21.8	25.1	3.1	100.0
Coloured	11.9	20.0	10.0	42.1	14.5	1.5	100.0
Indian/Asian	-	-	-	-	50.0	50.0	100.0
White	-	-	0.5	6.8	62.4	30.3	100.0

*Excludes "do not know" and "unspecified"

Table 13 shows that a higher percentage of Black Africans have no schooling when compared to other population groups at 20.5%, followed by the Coloured population group with 11.9%. The White population group had the highest percentage of people with a matric qualification at 62.4% compared to 50.0% for Indians/Asians, 25.1% for Black Africans and 14.5% for Coloureds. The Indian/Asian population group had the highest percentage of people with a higher education qualification at 50.0% compared to 30.3%, 3.1% and 1.5% for the White, Black African and Coloured population groups respectively.

Table 14: Mode of transport used to go to educational institution, 2016

Mode of transport used	Number
Walking	3 122
Bicycle	30
Motorcycle/scooter	13
Minibus taxi/sedan taxi	32
Bakkie taxi	68
Bus (public)	194
Vehicle provided by institution	78
Vehicle provided by government for free	116
Vehicle hired by group of parents/students	96
Own car/private vehicle	483

*Excludes "do not know" and "unspecified"

Table 14 shows that 3 122 learners/students in Khies municipality walked to their educational institutions in 2016, followed by those who used their own car/ private vehicle (483). About 194 learners/students used a public bus as their main mode of transport when going to their educational institution.

2.2.6 Household information

Table 15: Number of households by household size, 1996-2016

	1	2	3	4	5	6	7	8	9	10+	Total
1996	421	565	486	506	413	260	201	125	117	112	3 206
2001	602	811	648	653	481	349	203	134	86	183	4 150
2011	773	845	649	633	430	280	236	117	95	142	4 200
2016	631	823	773	637	500	424	292	134	26	104	4 344

*Excludes "do not know" and "unspecified"

Table 15 shows that the total number of households in Kheis municipality increased over the period from 1996 to 2016, from 3 206 households to 4 344 households respectively. It shows an increase in the number of two-person households, from 565 households in 1996 to 823 households in 2016. There is a reduction in the number of households with 10 persons and above.

Table 16: Percentage distribution of households by household size, 1996-2016

	1	2	3	4	5	6	7	8	9	10+	Total
1996	13.1	17.6	15.2	15.8	12.9	8.1	6.3	3.9	3.6	3.5	100.0
2001	14.5	19.5	15.6	15.7	11.6	8.4	4.9	3.2	2.1	4.4	100.0
2011	18.4	20.1	15.5	15.1	10.2	6.7	5.6	2.8	2.3	3.4	100.0
2016	14.5	18.9	17.8	14.7	11.5	9.8	6.7	3.1	0.6	2.4	100.0

*Excludes "do not know" and "unspecified"

Table 16 shows that two-person households increased from 17.6% in 1996 to 18.9% in 2016, this is followed by three-person households at 17.8% of the total number of households in Kheis.

Table 17: Household head by sex, 1996-2016

	1996	2001	2011	2016
Male	2 511	3 156	2 793	2 844
Female	690	990	1 406	1 500
Total	3 201	4 146	4 199	4 344

Table 17 shows an increase in the number of both female and male-headed households over period from 1996 to 2016. The female-headed households experienced a higher increase than male-headed households. Female-headed households increased by 810 households over this period, compared to an increase of 333 households headed by males.

Table 18: Percentage distribution of households by sex of household head, 1996-2016

	1996	2001	2011	2016
Male	78.4	76.1	66.5	65.5
Female	21.6	23.9	33.5	34.5
Total	100.0	100.0	100.0	100.0

Table 18 shows an increase in the proportion of female-headed households in Kheis over the period from 1996 to 2016, where the proportion of female-headed households increased from 21.6% in 1996 to 34.5% in 2016. The proportion of male-headed households has decreased over this period from 78.4% to 65.5% respectively.

2.2.7 Perceptions on municipal services

Table 19: Household perceptions on difficulties facing the municipality, 2016

Difficulties facing the municipality	Number	Percent (%)
Lack of safe and reliable water supply	905	20.8
Cost of water	145	3.3
Lack of reliable electricity supply	287	6.6
Cost of electricity	228	5.2
Inadequate sanitation/sewerage/toilet services	427	9.8
Inadequate refuse/waste removal	188	4.3
Inadequate housing	488	11.2
Inadequate roads	58	1.3
Lack of/inadequate employment opportunities	185	4.3
Lack of/inadequate educational facilities	19	0.4
Violence and crime	4	0.1
Drug abuse	305	7.0
Alcohol abuse	24	0.6
Lack of/inadequate healthcare services	84	1.9
Lack of/inadequate public transport	18	0.4
Corruption	7	0.2
Other	139	3.2
None	833	19.2
Total	4 344	100.0

Table 19 shows that 20.8% of the households in Kheis reported a lack of safe and reliable water supply as being the major difficulty facing the municipality, with 11.2% reporting that inadequate housing is a problem in the municipality. About 9.8% reported inadequate sanitation/sewerage/toilet services, whilst 7.0% said that drug abuse was a problem in the municipality.

2.2.8 Housing and dwelling information

Table 20: Type of dwelling occupied by households, 1996-2016

	Formal dwelling	Informal dwelling	Traditional dwelling	Other	Total
1996	75.0	13.4	11.0	0.6	100.0
2001	78.7	15.1	5.7	0.4	100.0
2011	66.3	31.8	1.0	0.9	100.0
2016	59.3	16.5	24.3	-	100.0

*Excludes "do not know" and "unspecified"

Table 20 shows a decrease in the proportion of households staying in formal dwellings in Kheis. Households occupying formal dwellings decreased by 15.7% from 75.0% in 1996 to 59.3 in 2016. An increase is observed in the proportion of informal dwellings, from 13.4% in 1996 to 16.5% in 2016. The proportion of traditional dwellings shows an increase over this period.

Table 21 Tenure status of households, 2001-2016

	Owned	Rented	Occupied rent-free	Other	Total
2001	38.3	12.1	49.6	-	100.0
2011	67.1	15.4	15.9	1.5	100.0
2016	47.0	18.1	31.3	3.7	100.0

*Excludes "do not know" and "unspecified"

Table 21 shows an increase of 8.7% in the proportion of dwellings owned by households in Kheis, from 38.3% in 2001 to 47.0% in 2016. There is a decline in the proportion of households that are occupied rent-free, from 49.6% in 2001 to 7.5% in 2016.

2.2.9 Household services

Table 22: Type of refuse removal used by households, 1996-2016

	Removed by local authority at least once a week	Removed by local authority less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Total
1996	48.1	0.2	5.1	44.6	1.6	0.4	100.0
2001	42.6	0.4	2.5	52.1	2.5	-	100.0
2011	53.0	1.2	1.1	26.1	15.8	2.8	100.0
2016	62.0	0.3	3.5	21.1	7.6	5.5	100.0

*Excludes "do not know" and "unspecified"

Table 22 shows an increase in the proportion of households in Kheis whose refuse is removed by a local authority at least once a week, from 48.1% in 1996 to 62.0% in 2016. There was an increase in the proportion of households that have no rubbish disposal from 1.6% in 1996 to 7.6% in 2016.

Table 23: Type of sanitation facility used by households, 1996-2016

	Flush or chemical toilet	Pit latrine	Bucket latrine	None of the above	Total
1996	45.3	17.3	8.1	29.2	100.0
2001	47.8	18.5	0.5	33.2	100.0
2011	48.9	20.8	2.0	28.3	100.0
2016	45.1	40.1	1.8	13.0	100.0

*Excludes "do not know" and "unspecified"

Table 23 shows a decrease in the proportion of households that use a flush or chemical toilet in Kheis, from 45.3% in 1996 to 45.1% in 2016. There is an increase in the proportion of households using a pit latrine toilet, and a significant decrease in the proportion of households that use a bucket latrine, from 8.1% in 1996 to 1.8% in 2016.

2.2.10 Energy source

Table 24: Main source of energy used for lighting, 1996-2016

	Electricity	Gas	Paraffin	Candles	Solar	Other	Total
1996	58.3	0.2	5.9	34.8	-	0.8	100.0
2001	58.6	0.5	2.1	36.6	0.8	1.3	100.0
2011	64.3	0.2	2.0	30.5	3.0	-	100.0
2016	74.8	1.5	-	8.0	14.4	1.3	100.0

*Excludes "do not know" and "unspecified"

Table 24 shows an increase in the proportion of households using electricity for lighting, from 58.3% in 1996 to 74.8% in 2016. There is also an increase in the percentage of households that use renewable

energy sources such as solar for lighting, from 0.0% in 1996 to 14.4% in 2016. A decrease is observed in the percentage of households that use candles for lighting, from 34.8% in 1996 to 8.0% in 2016.

2.2.11 Ownership of household goods

Table 25: Household ownership of goods, 2016

Ownership of goods	Number	% of total households
Refrigerator/Freezer	2 393	55.1
Electric/Gas stove	3 093	71.2
Vacuum cleaner/Floor polisher	559	12.9
Washing machine	1 612	37.1
Tablet/Phablet	414	9.5
Personal computer/Desktop Laptop	537	12.4
Satellite decoder	1 517	34.9
Motor vehicle	1 030	23.7
Television	2 952	68.0
Radio	1 825	42.0
DVD player/Blu-ray player	1 716	39.5
Home theatre system	505	11.6
Landline	390	9.0
Cell phone	3 016	69.4
Microwave oven	1 382	31.8
Geyser	447	10.3
Air conditioner	373	8.6

Table 25 shows that the majority of households in Kheis had ownership of the following goods; Electric/gas stove (71.2%), Cell phone (69.4%), Television (68.0%) and refrigerator/freezer (55.1%). Fewer households had ownership to the following goods; Landline (9.0%), Tablet/phablet (9.5%), and air conditioner (8.6%) amongst others.

2.2.12 Internet and postal services access

Table 26: Distribution of households by type of access to internet, 2016

Source for internet access	Number	Percentage (%)
Connection in the dwelling	438	10.1
Connection from a library	385	8.9
At school/university/college	647	14.9
Connection at place of work	272	6.3
Internet café 2km or less from dwelling	27	0.6
Internet café >2km from dwelling	39	0.9
Any place via cell phone	1 216	28.0
Any place via other mobile access service	710	16.3
Other	172	4.0

*Excludes "do not know" and "unspecified"

Table 26 shows that 28.0% of households in Kheis connect to the internet using a cell phone. About 16.3% connect to the internet at any place via other mobile access service, whilst 14.9% have access to the internet at school/university/college.

Table 27: Distribution of households by type of postal service used, 2016

Mail/post	Number	Percentage (%)
Delivered to the dwelling	1 933	44.5
Delivered to a post box/private bag owned by the household	1 097	25.3
Through a friend/neighbour/relative	244	5.6
Through a shop/school	168	3.9
Through a workplace	32	0.7
Do not receive mail	780	18.0
Other	90	2.1
Total number of households in Kheis	4 344	100.0

*Excludes "do not know" and "unspecified"

Table 27 shows that 44.5% of households in Kheis have their post delivered to their dwelling, 25.3% have their mail delivered to a post box/private bag owned by the household, whilst 18.0% of households do not receive mail.

2.2.13 Crime statistics and perceptions on safety

Table 28: Distribution of households by type of crime experienced, 2016

Type of crime experienced	Number	Percentage (%)
Home robbery	132	3.0
House breaking	61	1.4
Theft of motor vehicle/motorcycle	31	0.7
Other	17	0.4
Total number of households in Kheis	4 344	100.0

Table 28 shows home robbery as the leading type of crime experienced by households in Kheis (3.0%), followed by house-breaking and theft of motor vehicle/motorcycle at 1.4% and 0.7% of total households respectively.

Table 29: Household's feeling of safety when it's dark, 2016

	Feeling of safety when it's dark				
	Very safe	Fairly safe	A bit unsafe	Very unsafe	Total
Number	1 820	808	1 188	528	4 344
Percent (%)	41.9	18.6	27.3	12.2	100.0

Table 29 shows that 12.2% of households in Kheis feel very unsafe when it's dark, compared to 41.9% that feels very safe.

2.2.14 Agricultural activities

Table 30: Distribution of households by type of agricultural activity, 2016

Type of agricultural activity	Number	Percentage (%)
Livestock production	446	10.3
Poultry production	752	17.3
Grains and food crops	58	1.3
Industrial crops	17	0.4
Fruit production	25	0.6
Other	14	0.3
Total number of households in Kheis	4 344	100.0

Table 30 shows that 17.3% of households in Kheis engage in poultry production, followed by livestock production at 10.3% and grains and crops at 1.3%.

2.2.15 Food security

Table 31: Households that ran out of money to buy food in the 12 months preceding the survey, 2016

!Kheis	Number			Percent (%)		
	Yes	No	Total	Yes	No	Total
	1 589	2 741	4 330	36.7	63.3	100.0

*Excludes "do not know" and "unspecified"

Table 31 shows that over a third (36.7%) of households in Kheis ran out of money to buy food in the 12 months preceding the survey, with an estimated total of 1 589 households.

Table 32: Households that ran out of money to buy food for 5 or more days in the past 30 days, 2016

!Kheis	Number			Percent (%)		
	Yes	No	Total	Yes	No	Total
	958	626	1 584	60.5	39.5	100.0

*Excludes "do not know" and "unspecified"

Table 32 shows that 60.5% of households that reported having run out of money to buy food in Kheis, have ran out of money to buy food for 5 or more days, with an estimated total of 958 households.

2.2.16 Mortality

Figure 7: Main causes of death by district municipality in the Northern Cape, 2010-2015

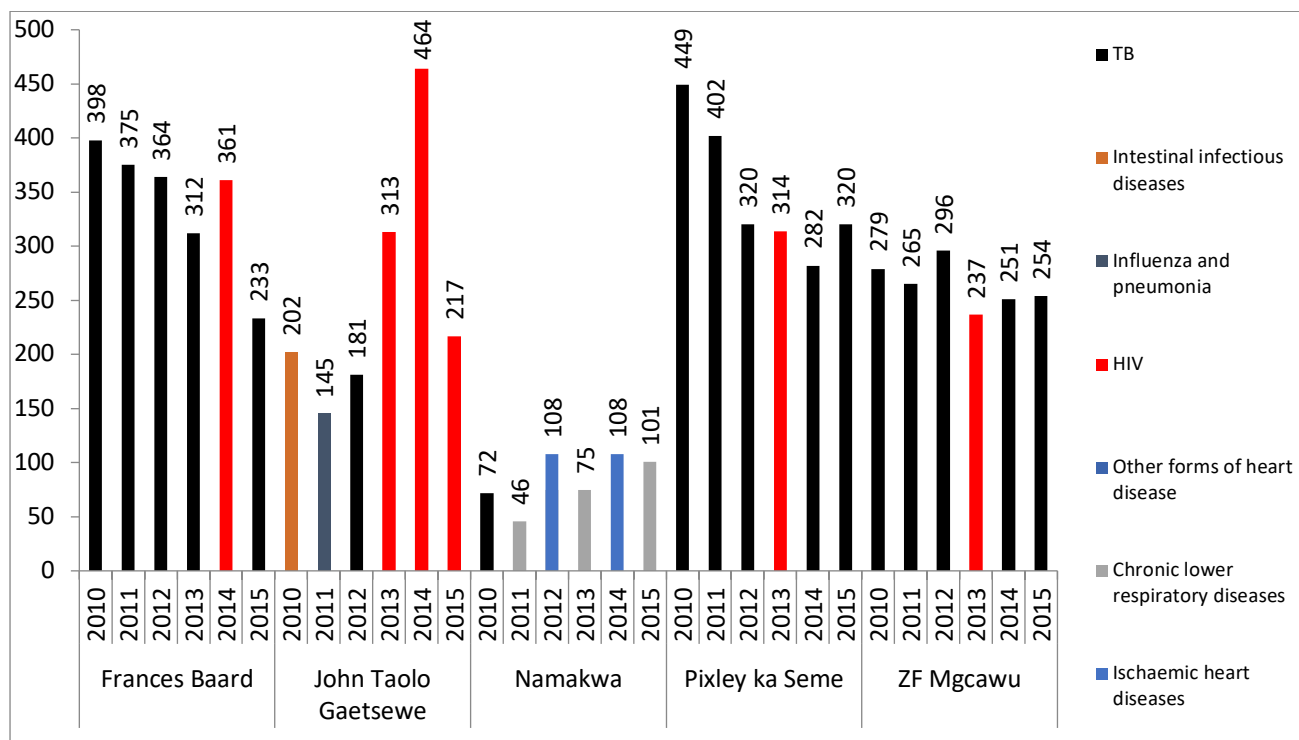


Figure 7 shows that over the years 2010, 2011 and 2012, TB was the main/leading cause of death with 279, 265, and 296 deaths in ZF Mgcawu district respectively over the three year period. It shows that HIV was the main cause of death in 2013, causing 237 deaths. TB was again the main cause of death in the recent years of 2014 and 2015 with 251 and 254 deaths reported respectively.

2.2.17 Indigence

Table 33: Number of households benefiting from indigent support system, 2016

ZF Mgcawu District Municipality	Indigent households registered with municipalities	Benefitting			
		Water	Electricity	Sewerage and sanitation	Solid waste management
!Kai !Garib Municipality	3 414	3 414	3 404	2 250	2 474
!Kheis Municipality	1 556	1 556	1 556	1 556	1 556
Dawid Kruiper Municipality	12 389	12 389	7 116	12 389	12 389
Kgatelopele Municipality	1 024	1 024	1 024	1 024	1 024
Tsantsabane Municipality	837	837	837	837	837
Total	19 220	19 220	13 937	18 056	18 280

Table 33 shows that the number of indigent households registered in the ZF Mgcawu district for the year 2016 is 19 220 units, with the Dawid Kruiper municipality having the highest number of such households

at 12 389 units, followed by Kai Garib with 3 414 units, Kheis with 1 556 units and Kgatelopele with 1 024 households registered as indigent respectively. Tsantsabane local municipality has the least number of indigent households with 837 units.

It is to be noted that not all indigent households across the respective municipalities are benefiting from free basic services from the municipality however, with the exception of households in Kheis, Kgatelopele and Tsantsabane, where all indigent households are receiving free basic services from the municipality.

2.2.18 Local Economic Development

LED component

The following headings and content is based on the in-depth analysis conducted utilizing several sources. This will entail merely duplication of this exact component into the IDP.

LED Definition:

“Local economic development LED is an outcome: It is a continuous development process based on local initiatives and driven by local stakeholders. It involves identifying and using local resources and skills to stimulate economic growth and development. “Northern Cape Local Economic Development Manual (NCLEDM)” LED Enables:

LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- **Ensuring that the local investment climate is functional for local businesses;**
- **Supporting small and medium sized enterprises;**
- **Encouraging the formation of new enterprises;**
- **Attracting external investment (nationally and internationally);**
- **Investing in physical (hard) infrastructure;**
- **Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);**
- **Supporting the growth of particular clusters of businesses;**
- **Targeting particular parts of the city/town/region for regeneration or growth (areas based initiatives);**
- **Supporting informal and newly emerging businesses; targeting certain disadvantaged groups.**

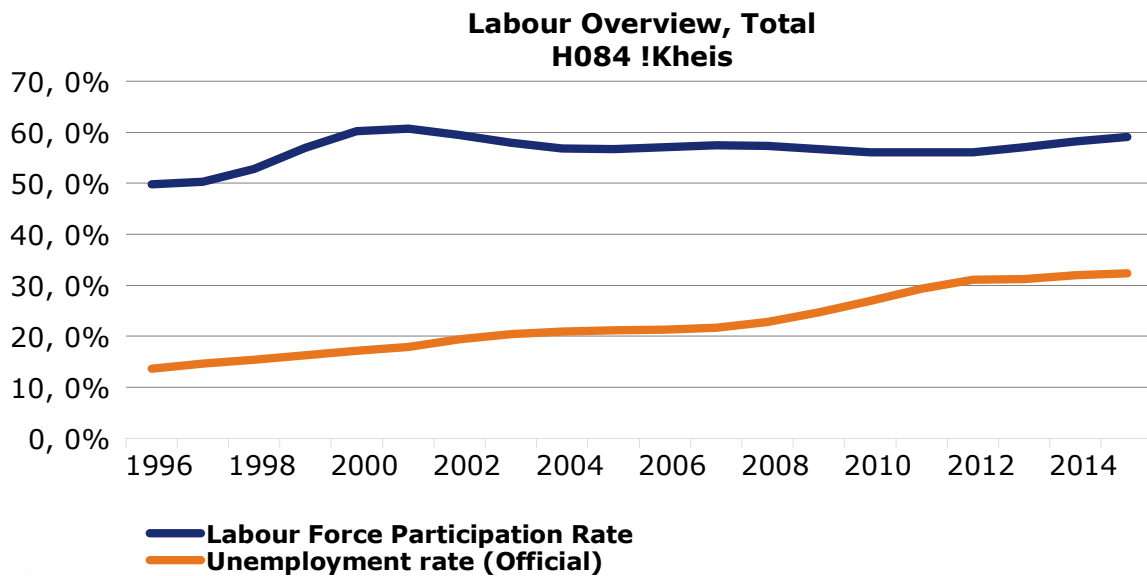
Vision, Mission and Objectives

The purpose of this Sub-section is to present the Strategic Development Pillars for the local economy of !Kheis. The Development Pillars are now presented as the core of the !Kheis LED Strategy. These “LED drivers” also serve as points of alignment with the relevant development policies.

The goal of LED in the Municipality was packaged (Section 1) in the LED Strategy of the municipality into the following Vision Statement:

“A growing economy based on sustainable development that is export-orientated and builds on local community involvement while working towards employment creation.”

Key statistical data:

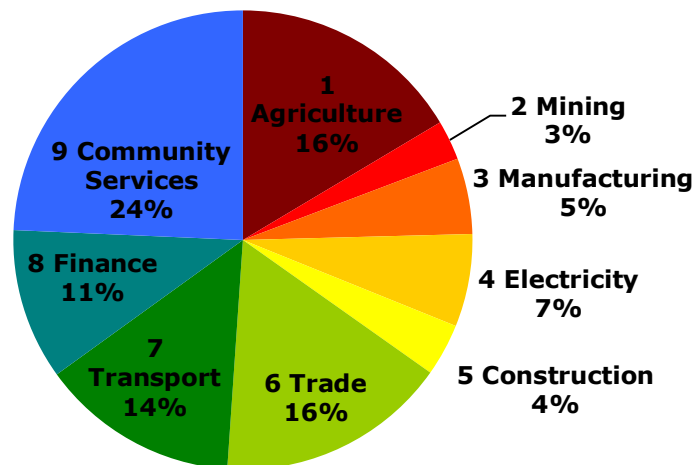


Source: IHS Global Insight Regional eXplorer version 993

As per figure 1, above graph indicates that the employment rate in !Kheis municipal area has dramatically increase from 50% to 60% high from 1996 – 2001 and took a dip from 60% - 59% from 2002 - 2014 and that the unemployment rate has also increase in 1996 – 2003 from 18% - 21%, but remained constant at 21% from 2004 – 2007 and took a massive increase from 2008 – 2014 from 21% – 32% due to exporting in the agriculture industry.

The reason why the unemployment rate is above 20% in the !Kheis area is caused by the fact that only a very small percentage of people are highly skilled and are currently attending any tertiary education at higher institutions and the seasonal economic activities taking place in the agriculture sector which has a direct impact on the skills development levels and employment rate in the area.

GVA-R Sectoral composition H084 !Kheis, 2017-2018

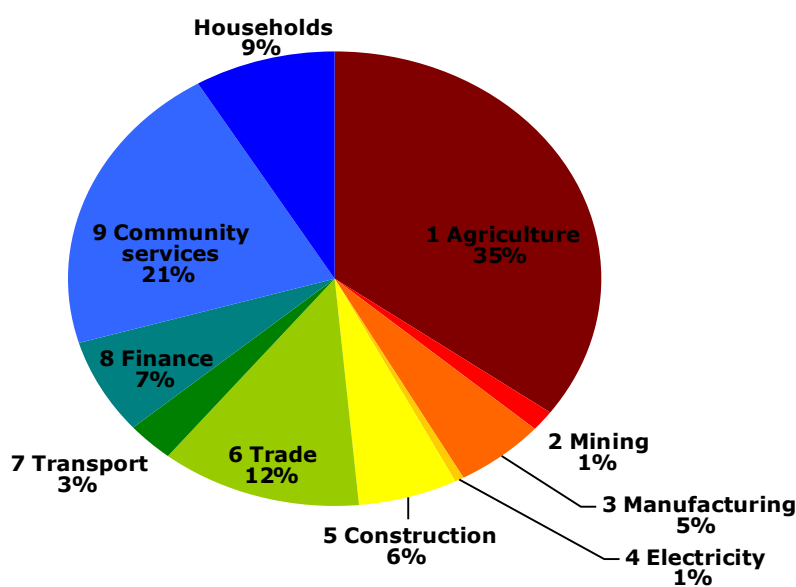


Source: IHS Global Insight Regional eXplorer version 993

As per figure 2, the highest contributing sector was community services with 24% to the total economy and agriculture being the second highest contributing sector with 16% and the lowest two contributing sectors to the total economy in the area are mining at 3% and construction at 4% in 2015. A large number of residents are dependent on government pensions, implying that a large part of the residents of !Kheis earn less than R 2000-00 per month and that in itself has a negative influence on the payment of services. Livestock is marketed at Groblershoop, Upington, Johannesburg and Cape Town. Cotton, corn, wheat, tomatoes, peanuts, musk melons and pumpkins are cultivated under irrigation from the Orange River. In the irrigation sector, focus is mainly placed on the cultivation of table grapes. There are also two wine cellars in the area, i.e. at Grootdrink and Groblershoop. High quality table wine is produced at these wine cellars, as well as quality grape juice. The products of these wine cellars have already received several national and international awards. Several permanent jobs are created through these wine cellars.

Total Employment Composition

**Total Employment Composition
H084 !Kheis, 2015**



Source: IHS Global Insight Regional eXplorer version 993

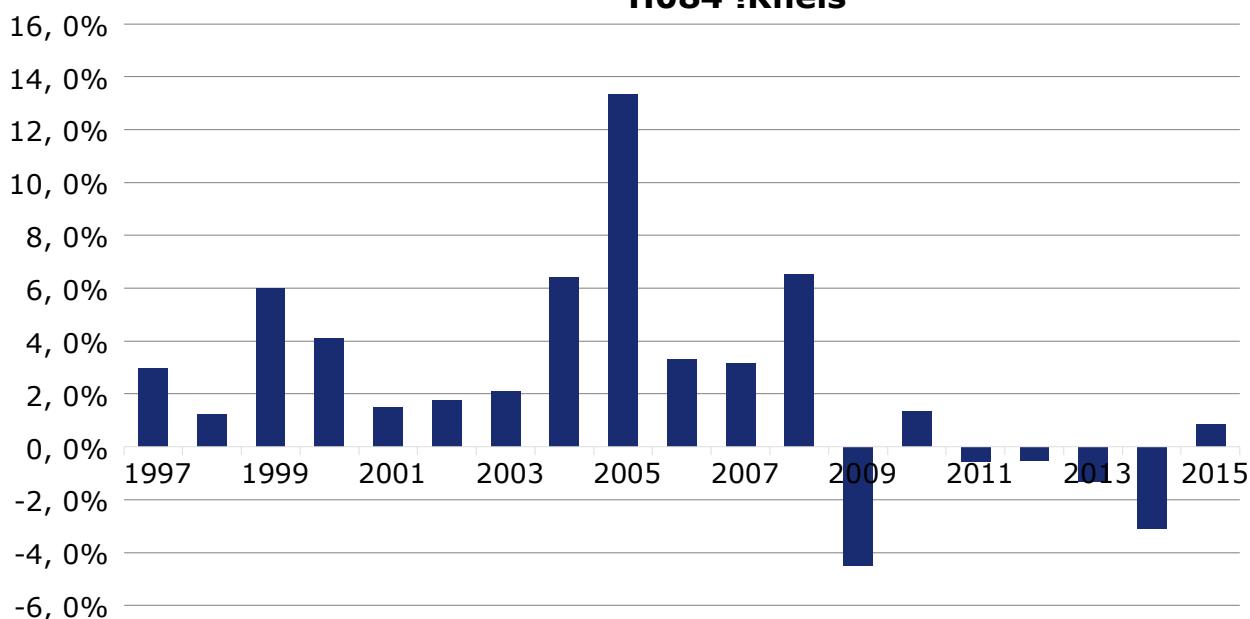
As per Figure 3, the highest employer in the !Kheis Area makes out a Percentage of 21%, followed by public sector (Community service) with an employment rate of 21% and the lowest sectors respectively are the mining and electricity sector at 1%.

The agricultural sector is still the main economic sector. The commercial farmers, farm especially with sheep for meat production, while the emerging farmers also farm with sheep and goats. Provincial Government and Farm Africa are involved by capacitate the emerging farmers in sustainable farming and bookkeeping.

An abattoir is available at Groblershoop, where all livestock from the area, as well as other areas, are slaughtered. ±180 permanent jobs are created through the abattoir.

The utilization of solar energy to drive both the green economy as well as local economic development has been identified at the district level as a strategic development opportunity, while the development of a recycling programme is promoted at the local municipal level as having the potential to alleviate poverty through job creation (!Kheis Local Municipality, 2013). Tourism is also listed as a potential growth strategy, with a focus on cultural, agricultural and eco-tourism opportunities within the municipality.

GDP-R Total Growth H084 !Kheis



Source: IHS Global Insight Regional eXplorer version 993



As per Figure 4, Gross Domestic Product Stood at 13.5% in 2005 and drastically dropped to -4.2% in 2009, but with a slow growth rate till 2014 from -4.2 to -3% compared to 2009, but had a positive growth rate in 2015 of 1%.

In 2009 the municipality GDP contribution decrease to record of -4% low due to the increase in the price of meat which resulted in a decline of meat exporting as at it might be due to the outbreak of Foot and Mouth Disease and stock theft.

Major development projects planned within the municipal area are poised to continue to have a positive impact on its economy over the next 10 to 15 years. Despite the positive outlook the Municipality is still faced with high levels of unemployment and poverty, little or no diversification in the economy and a declining resource base.

Opportunities and Thrust / Pillar:

Table Project Pillars and Programmes

Thrust		Programme	Project
Agriculture and Development	Rural	Agro-Processing Development	Maintenance of rural roads to facilitate transport to/from

Thrust	Programme	Project
		Farms (scraping of gravel roads) Pecan nut production and possible oil processing Essential oils production Cotton farming and beneficiation (including oil) Establishing a game Reserve (hunting and Venison Production)
	Emerging Farmer Support	Mentorship programmes for Emerging farmers Development of water provision infrastructure to communal farm land Availing farm land for emerging farmers Introduction of new technologies and production methods (e.g. hydroponics and aquaculture) Demarcation of training plots/ demonstration plots
SMME Development	Business Development & Support	SMME & Entrepreneurial Incubator Informal Traders Market
	Local Business Promotion	Paving of main roads in local towns. Development of a Place Marketing Strategy
Tourism Development	Tourism Marketing and Development	Development and marketing of tourism packages Development of unique tourism products (such as 4x4 routes, hunting and team building camps) Tourism Route Development & Marketing Developing of a Tourism Marketing Strategy
	Improving the Tourism Infrastructure	Upgrading the Boegoeberg Dam resort Upgrading of roads leading to tourism destination

Thrust	Programme	Project
		Developing a Local Tourism Information Centre
Investment Promotion	Infrastructure Development	<p>Water transport infrastructure development.</p> <p>The upgrading of water canals. Beneficiation initiatives based on the “Working for water” projects.</p> <p>Upgrading of transport infrastructure</p> <p>Upgrading of the local clinic to a hospital</p> <p>The construction of a dam or reservoir</p> <p>Upgrading the capacity of the Boegoeberg Dam</p>

LED Action Plan

Thrust	Activity	Responsibility
Agriculture and Rural Development	<p>Maintenance of rural roads to facilitate transport to / from farms (scrapping of gravel roads)</p> <p>Pecan nut production and possible oil processing</p> <p>Essential oils production</p> <p>Cotton farming and beneficiation (including oil)</p> <p>Establishing a game Reserve (hunting and Venison Production)</p>	Kgatelopele LM Dept. of Agriculture and Rural Development.
Emerging Farmer Support	<p>Mentorship programmes for emerging farmers</p> <p>Development of water provision infrastructure to communal farm land</p> <p>Availing farm land for emerging farmers</p> <p>Introduction of new technologies and production methods (e.g. hydroponics and aquaculture)</p> <p>Demarcation of training plots/ demonstration plots</p>	<p>!Kheis LM NC Dept. of Agriculture & Rural Development</p> <p>NC Dept. of Water Affairs</p>

SMME Development	SMME & Entrepreneurial Incubator Informal Traders Market	!Kheis LM SEDA Business Chambers Independent Power Producers
Tourism Development	<p>Development and marketing of tourism packages Development of unique tourism products (such as 4x4 routes, hunting and team building camps) Tourism Route Development & Marketing</p> <p>Developing of a Tourism Marketing Strategy</p> <p>Upgrading the Boegoeberg Dam resort</p> <p>Upgrading of roads leading to tourism destinations Developing a Local Tourism Information Centre</p>	<p>!Kheis LM</p> <p>NC Dept. of Economic Development & Tourism Business Chambers</p>
Investment Promotion	<p>Water transport infrastructure development The upgrading of water canals Beneficiation initiatives based on the “Working for water” projects Upgrading of transport infrastructure Upgrading of the local clinic to a hospital</p> <p>The construction of a dam or reservoir</p> <p>Upgrading the capacity of the Boegoeberg Dam</p>	<p>Kgatelopele LM Planning and Development Directorate</p> <p>NC Dept. of Health</p> <p>NC Dept. of Public Work</p> <p>ZF Mgcawu District Municipality</p>
Green Energy (Renewable energy / Solar Power)	<p>Development policies to become an IPP for solar generation. Support SMME’s to provide services to the IPP’s in the area.</p> <p>Identify procurement initiatives for SMME’s for local beneficiation.</p>	<p>Dept. of Energy</p> <p>IPP’s Office</p> <p>Northern Cape Provincial Government</p> <p>!Kheis LM</p> <p>Independent power producers</p>

Recommendations

The following recommendations will be crucial to enhance LED in !Kheis:

- Finalize the project list. It is of vital importance to include projects under the Mining, Agriculture and Tourism and Renewable Energy thrusts.
- Finalize the action plan.
- Include relevant LED component as proposed in IDP, this will specifically focus on Agriculture and Agro processing, Mining, Tourism and Renewable Energy. The proposed LED component for the !Kheis Local Municipality IDP is from pg. 22 and can merely be copy and pasted from this document to the IDP.
- Utilize the above mentioned to reduce Red Tape and create a conducive investment destination Review and update LED strategy.

2.2.19 Solar Corridor and Special Economic Development Zone

The municipality is in the middle of the Presidential Infrastructure Coordinating Committee (PICC), Strategic Infrastructure Program (SIP) and is therefore part of the Special Economic Development Zone of the Solar Corridor. !Kheis Municipal area could benefit from a number of programs that are not available to other municipalities, and must be incorporated in the approach in the IDP.

Solar energy is a natural resource like water, mining, iron and copper. A lot of macro solar projects is happening around the municipality. Micro solar opportunities can assist sustainability of the municipality by attracting new businesses and in the provision of basic services to residents. The Municipal area has a high solar radiation which can open enormous potential of green technology and innovation such as powering solar vehicles to render basic services. This resource can be a major advantage to assist the poor rural communities in the creation of jobs and providing electricity to under privilege families and business opportunities. The current Solar Plant operating in the Municipal area is ran by Bokpoort SCP (Aqua Power).

2.2.20 Health

Overview (Department of Health: Northern Cape)

The mission of the Northern Cape Department of Health is to provide quality health care services; promote a healthy, caring and responsible society; and offer caring, multi-skilled professionals who will integrate comprehensive services, using evidence-based care strategies and partnerships to maximize efficiencies for the benefit of all.

The Department's strategic goals are: provision of strategic leadership and creation of a social compact for effective health service delivery; improved quality management and patient care across the system through, inter alia, developing the Department's human resources; improved health outcomes in managing both communicable and non-communicable diseases; reduction of maternal, infant and child mortality; an efficient health management information system; attainment of a positive audit outcome for both financial and non-financial management; and an improved and accelerated infrastructure development programme.

The low morale and high mortality profile of the !Kheis Local Municipality demonstrates our health challenges, the escalating diseases of lifestyle (non-communicable diseases), the unabated increase in the number of accidents and injuries, and the persistently high incidence of infectious diseases (mainly TB and HIV and AIDS) contribute to years of life lost. !Kheis area has health facilities available in all towns.

Each clinic has access to professional and auxiliary nurses but there is no doctor for the entire municipal area. Standby services and Emergency services are available after hours or over weekends when facilities are closed. The nearest hospital is 120km from Groblershoop. Only two ambulances is available for emergencies in the whole area and the absence of a medical doctor is a huge concern.

The service of a state doctor visit happens on an ad-hoc base; monthly and only for two hours a day. The matter had been referred to a higher level.

2.2.21 Disaster Management and Fire & Emergency

The Disaster Management Act, 2002 Act No 57 of 2002 states that the municipality is responsible for the coordination of disaster events in conjunction with ZF District Municipality. The function includes disaster preparedness, contingency planning and disaster response.

The location of the Municipality, along the Orange River, makes it vulnerable for disasters like floods, the latest recorded flood occurred in 2011. Another common disaster in the area is fires that can originate from the scorching heat of the sun, the large number of informal settlements using candles for light and open fires for cooking and lack of safety awareness and education within the communities.

Ensuring the safety of citizens is therefore of utmost importance. Although, in the !Kheis Municipal area Disaster Management is a District function. Therefore the Council of the District may declare a disaster. The District Council must consult with the local municipality and politicians. The District Council will consider existing legislation and capacity before declaring a disaster.

2.2.22 Natural Environment



!Kheis covers an area of approximately 7 225 squares kilometers. All the towns in the !Kheis Municipal area are situated next to the N10. The area is drained by several ground levels and non-perennial rivers. These are mainly dry streams which are transformed into wet streams during very wet years. From there the water flows to the Orange River. Few hills / mountains also appear, like the Asbestos Mountains. The area is part of the Nama-Karoo Biome. The natural vegetation is characterized by karoo plants, which adapted well to the environment, e.g. “Kokerboom”, “Witgat” and the Camel thorn tree. Furthermore; berg field appears in the Asbestos Mountains with sand-field in between, especially where Camel thorn and “Swarthaak” is the dominant tree species.

2.2.23 Climate Change

Climate change already causes and will continue to cause a number of challenges which are linked to global impacts such as increased temperatures, extreme weather events (e.g. flooding and drought), sea level rise and climate variability. Climate change is associated with an increase in average global temperatures, leading to changes in rainfall patterns, and is likely to have significant impacts in some

parts of the world, especially Africa. Indications are that climate change will result in worse floods and droughts, reduce production and worsen diseases. In South Africa the predictions are bad – we could lose the entire Cape Floral Kingdom and most of the mammal species for which the Kruger National Park is famous.

It is against this growing concern that efforts should be made to improve the scientific understanding of what drives the earth-atmosphere system, producing such changes, identify those areas that may be particularly vulnerable to environmental changes, and to improve adaptation and mitigation to enable people and plant and animal communities to better live with climate change.

The !Kheis area falls within a rain shadow. The average rainfall is 130mm per year. Conditions are related to those of a semi-desert.

2.2.24 Spatial Planning and Development

A Municipal Spatial Development Framework (MSDF) is a long-term development strategy required in terms of the Municipal Systems Act 32 of 2000 and forms part of the Integrated Development Plan (IDP). The main aim of the MSDF is to clearly outline the spatial status quo of the Municipality, identify the opportunities and threats and then set out the local authority's goal, strategies and supporting policies in achieving medium - and long-term growth. It must give spatial expression on the Municipality's service delivery and development agenda. Furthermore, it clarifies and directs development and management activities in urban and rural areas in alignment with National and Provincial spatial planning legislation.

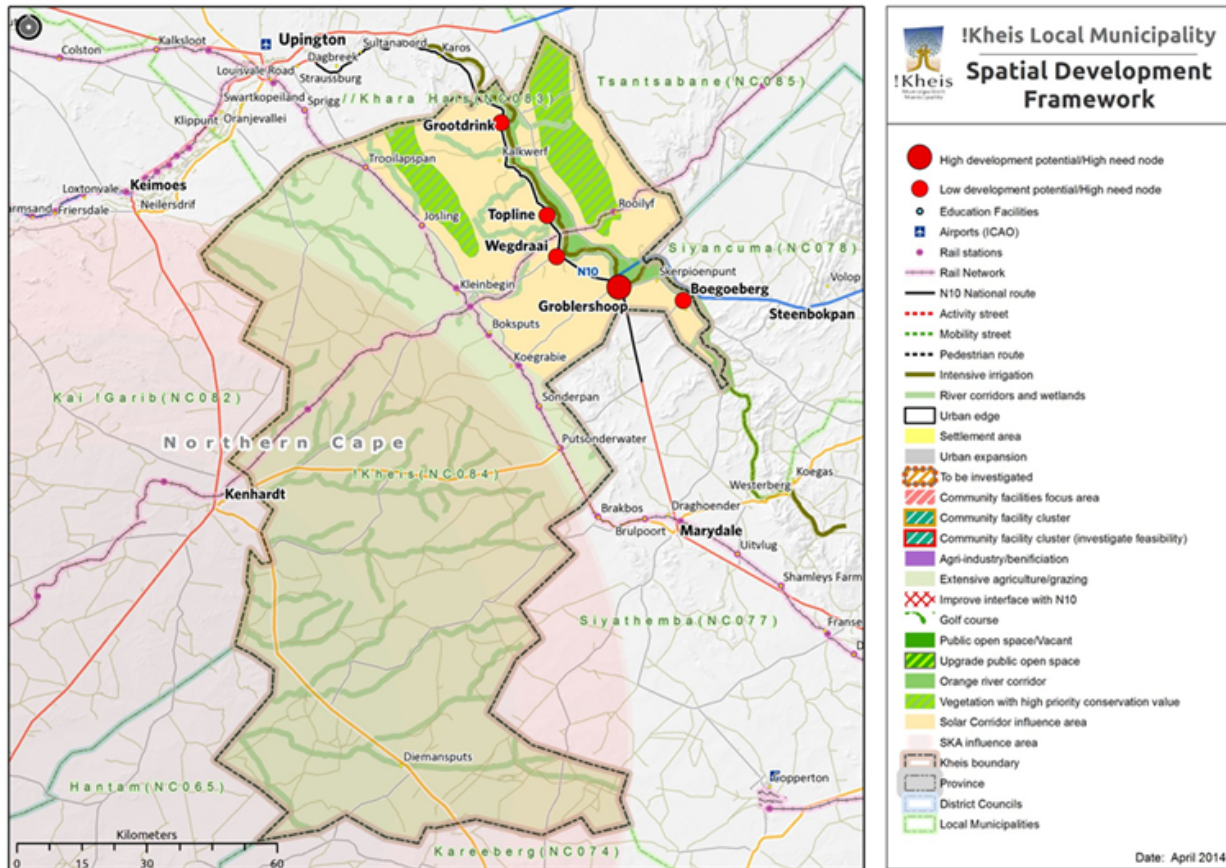
Spatial planning is important as it guides development within the municipal area. It is used as the basis to unlock infrastructure delivery, protecting agricultural land and environmental assets, identify strategic economic areas, managing development growth and rural land use management. A suite of plans are used to achieve the above objective, such as; Spatial Development Framework, Spatial Development Plans, Local Area Plans, Functional Area Plans and Land Use Management Schemes. The KLM SDF is an indicative, strategic planning document that provides strategic guidance on the future economic and spatial development of the municipality. As such, it does not seek to, but may make statements about the development or use of individual properties in settlements, or farms and farm portions. It, does, however, definitely:

- Make strong ***policy statements*** about larger areas in which similar needs are prevalent, development possibilities exist, development challenges are experienced and economic activities and human settlement take place and could take place;
- Provide a ***future spatial development vision, set of spatial development objectives and spatial development strategies*** to which all investment and spending actions must be directed; and
- Set out an ***implementation framework*** and a series of ***development indicators*** with which to measure progress towards the realization of the development objectives and the spatial development vision.

Together these three components provide officials, politicians and non-State actors with:

- A ***proactive guide*** for future spatial development investment decisions by both the State and the non-State actors active in the municipality;
- A ***'strategic check-list'***, in the form of a simple, very easy measuring rod with which test and establish whether a proposed development option or spatial development application will contribute to the realization of the municipal vision; and
- A ***set of strategic actions*** to be undertaken during the course of the next five years to ensure movement towards the realization of the municipality's vision over the next twenty to thirty years.

Below is a map of the !Kheis Municipal area as identified in the Spatial Development Framework.



The following projects were identified in the roll-out of the SDF:

- Identify and Avail more land for development purposes
- Conduct Geo-tech studies in all towns
- Conduct EIA's (Environmental Impact Assessments) in the whole municipal area
- Land measurement for development or residential purposes
- Deeds registration
- Township establishment in all areas
- Development of a Land Use Management Scheme (LUMS)
-

2.2.25 Environment and Nature Conservation

Overview

The mission of the Northern Cape Department of Environment and Nature Conservation is to conserve and protect the natural environment for the benefit, enjoyment and welfare of present and future generations by integrating sustainable utilization with socio-economic development.

The Department's strategic-orientated goals are: environmental quality and biodiversity management; socio-economic benefits and employment creation; cooperative governance and administration; environmental education; research; and compliance and enforcement.

PART C:

Chapter 3: Governance and Institutional Structures

- 3.1 Political Structure
- 3.2 Administrative Structure
- 3.3 Committee Services

Chapter 3 Governance and Institutional Structures

3.1 Political Structure

3.1.1 Municipal Council

The Council is the ultimate decision making authority. Decisions to approve or amend the Municipality's integrated development plan (IDP) may not be delegated and decisions have to be taken by the full council.

3.1.2 Executive Mayor

In terms of the Municipal Systems Act the Municipal Finance Management Act the Executive Mayor must:

- manage the drafting of the IDP
- assign responsibilities in this regard to the municipal manager
- submit the draft plan to the municipal council adoption, and
- Coordinate the annual revision of the IDP and determine how the IDP is to be taken into account or revised for the purposes of the budget.

3.1.3 Ward Committees

The role of the Ward Committee with respect to the IDP is to:

- assist the ward councillor (who is the chairperson) in identifying challenges and needs of residents
- provide a mechanism for discussion and negotiation between different stakeholders in the ward,
- interact with other forums and organisations on matters affecting the ward
- draw up a ward plan that offers suggestions on how to improve service delivery in the particular ward,
- disseminate information in the ward, and,
- monitor the implementation process concerning its area.





3.1.4 Political Parties

The Political oversight role resides within the Municipal Council. In Terms of the Section 79 and 80 of the Municipal Systems Act (Act 117 of 1998). The Municipal Council Comprises of three political parties namely:

- African National Congress (ANC);
- Democratic Alliance (DA); and
- Congress of the People (COPE).

3.1.5 Councilors

Council consist of 7 councillors:

	Position	Party	Wards
	MAYOR Cllr Andries Diergaardt	ANC	Ward 1
	Cllr Sabel Esau	ANC	Ward 2
	Cllr Abraham Tobias	ANC	Ward 3
	Cllr Josef Silo	ANC	Ward 4



Cllr Koos Esau

PR Councillor

COPE

Ward 1



Cllr Elizabeth Cloete

PR Councillor

COPE

Ward 3



Cllr Gert Beukus

PR Councillor

DA

Ward 4

3.2 Administrative Structure

The Administrative structure still needs to be reviewed, job descriptions drafted and evaluated and staff placed in the correct job at the correct level.

3.2.1 Municipal Manager (Acting) – Mr. Floyd Leeuw

The municipal manager is responsible for the design and execution of all arrangements regarding the compilation and implementation of the IDP. The municipal Manager is, subject to the policy directions of the municipal council, responsible and accountable for-

- the implementation of the IDP and the monitoring of progress with implementation of the plan; and
- the formation and development of an administration equipped to carry out the task of implementing the IDP.

3.2.2 Heads of Departments and officials

Their role is to -

- provide relevant technical, sector and financial information for analysis for determining priority issues;
- contribute technical expertise in the consideration and finalisation of strategies and identification of projects; and provide departmental operational and capital budgetary information.

Chief Financial Officer - Mr. Donovan Block

Manager: Community Services – Mr. Fanus van Eck

Manager: Technical Services – Mr. Desmond Dolopi

Manager: Corporate Services - Vacant

3.3 Committee Services

This section is a support function to Council and all internal committees and is situated in the Department of Corporate Services. The agendas and minutes of all Council meetings are compiled within this section; it is a challenge to fulfil this function to adhere to the Bylaw on Municipal Council's Rules of Order for Internal Arrangements. Training in report writing and taking of minutes is needed for the staff to deliver an excellent service for the Council and the Committees.

PART D:

Chapter 4: Strategic Thrust

4.1 Strategic Priorities

4.2 !Kheis Municipal Project List

Chapter 4: Strategic Thrust

4.1 Strategic Priorities

!Kheis Municipality developed strategic priorities (KPA's), objectives and strategies in order to achieve the outcomes in its mission statement, however, achieving the outcomes remain a challenge. Effective intergovernmental relations will overcome the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. Taking into consideration political, national, and provincial and district policies.

!Kheis Municipality adopted the following seven (7) Strategic Priorities (KPA's):

SFA#	KEY PERFORMANCE AREA (KPA)	SO#	STRATEGIC OBJECTIVE
SFA1	Basic Service Delivery	SO1	To improve and maintain current service through infrastructure development
		SO2	To promote a safe and healthy environment through the protection of natural resources
SFA2	Local Economic Development	SO3	To create an enabling environment for social development and economic growth
SFA3	Municipal Finance Viability and Transformation	SO4	To grow the revenue base of the municipality
SFA4	Municipal Transformation and Organisational Development	SO5	To structure and manage the municipal administration to ensure efficient service delivery
SFA5	Good Governance and Public Participation	SO6	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication

4.2 !Kheis Municipal Project List 2019 – 2020

Below is the MIG, RBIG, and WSIG budget outlined as per the municipality's prioritization:

WARD AND PROJECT NAMES	PROJECT COST	SOURCE OF FUNDING	PROGRESS (%)	COMPLETION DATE
WARD 1				
Energy Efficiency in Topline	Donation	Renewable Energy & Energy Efficiency Partnership	Tender	June 19
Construction of Library in Wegdraai	R15 Million	DSAC	Planning phase	
WARD 2				
Sewer Project in Grootdrink	R 9 million	Municipal Infrastructure Grant	80%	Oct 19
WARD 3				
Sewer Project in Sternham	R 11 million	Municipal Infrastructure Grant	22%	Nov 19

Construction of Library in Uitkoms (Opwag)	R500 000	DSAC	Planning Phase	
Bulk Water Supply in Groblershoop	R 9.5 million	Water Services Infrastructure Grant	57%	Jun 19
Energy Efficiency in Groblershoop	Donation	Renewable Energy & Energy Efficiency Partnership	Tender	Jun 19
WARD 4				
Bulk Water Supply in Brandboom	R 6.5 million	Water Services Infrastructure Grant	Tender	Aug 19
Upgrading of Clinic in Brandboom	R	Depart: Roads and Public Works	47%	

Part E:

Chapter 5:

In-Year Municipal Performance Scorecard

5.1 Proposed Organisational Performance

5.2 Alignment Tables

Chapter 5

5.1 Proposed Organisational Performance

5.1.1 Five Year Performance Scorecard

Please note that this scorecard is subject to change as per the key performance indicators and targets once final Service delivery budget implementation plan has been approved.

This is part of a draft scorecard, the final sdbip. After the approval of the budget the final scorecard will be developed which will be aligned directly with the IDP and budget.

5.1.2 Municipal Scorecard

Top Level SDBIP/Institutional Scorecard Performance Indicators

See Code tables							Key Performance Indicator	Indicator Definition	Actual 2017-2018	Annual Target 2018 2019	Expected Outcome 2018 2019	Annual Target 2019 2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2020 2021	2021 2022
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
5.2	01	01	BSD	14	02	02	Upgrading of bulk water supply in Groblershoop	The indicator reflects the percentage of progress registered towards the implementation of the project. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators			1	1	80%	100%	-	-	Yes		

5.2	01	01	BSD	14	02	02	Upgrading of bulk water supply in Boegoeberg	The indicator reflects the percentage of progress registered towards the implementation of the project. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators			1	1	25%	25%	25%	25%			
5.2	01	02	BSD	13	02	02	Construction of sewer reticulation, pump station and rising main to oxidation points in Sternham	The indicator reflects the percentage of progress registered towards the implementation of the project. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators			1	1	40%	40%	20%	-	Yes		
5.2	01	02	BSD	13	02	02	Construction of sewer reticulation, pump station and rising main to oxidation points in Sternham	The indicator reflects the percentage of progress registered towards the implementation of the project. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators			1	1	80%	100%	-	-	Yes		
5.2	01	02	BSD	13	02	02	Construction of Urinal Diversion System (UDS) toilets in the greater municipality	The indicator reflects the number of UDS toilets to be constructed. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators			1	1	20	-	-	-	Yes		
5.2	01	05	BSD	04	02	02	New electricity connections in Duineveld	The indicator reflects the number of connections by ESKOM to existing households. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators	New			305	75	75	75	80			

5.2	01	04	BSD	01	02	01	Upgrading of Visser Street in Groblershoop town through EPWP	The indicator reflects the distance of the road to be paved. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators	New			600m	300	300	-	-			
5.2	01	05	BSD	04	02	02	The number of single residential properties with access to basic level of electricity.	The indicator reflects the number of residential properties that the Municipality is aware of which are connected to the municipal electrical infrastructure network for both credit and prepaid metering. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators	2198 [Two thousand One hundred and Ninety Eight]	2336 [Two thousand three hundred and thirty six]	2336	3025	-	-	-	3025	Y	3227	3443
5.2	01	01	BSD	13	02	02	The number of single residential properties with access to basic level of water.	The indicator reflects the number of residential properties that the Municipality is aware of which are connected to the municipal water infrastructure network (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators	4586 [Four thousand five hundred and eighty six]	4586 [Four thousand five hundred and eighty six]	4586	4893	-	-	-	4893	Y	5221	5571
5.2	01	02	BSD	04	13	02	The number of single residential properties with access to basic level of sanitation.	The indicator reflects the number of residential properties that the Municipality is aware of connected to the municipal wastewater (sanitation/sewerage) network irrespective of the number of water closets (toilets). (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators	3013 [Three thousand and thirteen]	3023 [Three thousand and twenty three]	3226	3442	-	-	-	3442	Y	3672	3672

5.2	01	06	BSD	04	03	02	The number of single residential properties with access to basic level of solid waste removal	This indicator reflects the number of single residential properties that the Municipality is aware of which are receiving a weekly door-to-door refuse removal service. This excludes vacant residential properties. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (a) General key performance indicators	4222 [Four thousand two hundred and twenty two] (Number)	4222 [Four thousand two hundred and twenty two] (Number)	4222	4222	-	-	-	4222	Y	4505	4807
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See Code tables							Key Performance Indicator	Indicator Definition	Actual 2017 2018	Annual Target 2018 2019	Expected Outcome 2018 2019	Annual Target 2019 2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2020 2021	2021 2022
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
5.2	01	04	BSD	04	02	02	The number of formalised single residential properties with access to free basic services: ELECTRICITY	This indicator relates to the Pre-Paid Electricity Tariff Electrification Housing Scheme (Limited to 20A) limited to 400kWh and first 50kWh free – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (b) General key performance indicators	2500 [Two thousand five hundred] [Number]	2500 [Two thousand five hundred] [Number]			625	625	625	625	Y	2500	2500
5.2	01	01	BSD	13	02	02	The number of formalised single residential properties with access to free basic services: WATER	This indicator reflects the 100% social rebate granted in respect to the annual water availability fee charged to qualifying homeowners of single residential properties. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (b) General key performance indicators	2500 [Two thousand five hundred] [Number]	2500 [Two thousand five hundred] [Number]			625	625	625	625	Y	2500	2500

5.2	01	02	BSD	13	02	02	The number of formalised single residential properties with access to free basic services: SANITATION/ SEWERAGE	This indicator reflects the 100% social rebate granted in respect to the annual sanitation fee charged to qualifying homeowners of single residential properties. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (b) General key performance indicators	2500 [Two thousand five hundred] [Number]	2500 [Two thousand five hundred] [Number]			625	625	625	625	Y	2500	2500
5.2	01	06	BSD	04	03	02	The number of formalised single residential properties with access to free basic services: SOLID WASTE/ REFUSE	This indicator reflects the 100% social rebate granted in respect to the annual solid waste fee charged to qualifying homeowners of single residential properties. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (b) General key performance indicators	2500 [Two thousand five hundred] [Number]	2500 [Two thousand five hundred] [Number]			625	625	625	625	Y	2500	2500
10.1	04	13	MFVT	15	02	06	The percentage of a Municipality's capital budget actually spent on budgeted capital projects	Percentage reflecting year-to-date spend/total budget, less any contingent liabilities relating to the capital budget. The total budget is the Council-approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year-end. - Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (c) General key performance indicators	83.4 [eighty-three point four] (Percentage)	100 [one hundred] (Percentage)	80	100	-	-	-	100	Y	100	100

See Code tables						Key Performance Indicator	Indicator Definition	Actual 2017 2018	Annual Target 2018 2019	Expected Outcome 2018 2019	Annual Target 2019 2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2020 2021	2021 2022
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO												
7.1	05	14	MTOD	15	09	06	<p>Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the approved employment equity plan</p> <p>The indicator measures the percentage of people from employment equity target groups employed in the three highest levels of (Municipal Manager, Directors and managers reporting to directors) management in line with the annual report of the Department of Labour.</p> <p>Each directorate contributes to the corporate achievement of targets and goals by implementing its own objectives of quantitative and qualitative goal setting.</p> <p>The three highest levels are Top Management(MM and Directors); Managers reporting to Directors and Middle Management (Section Heads and Professionals) - Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (e)</p> <p>General key performance indicators</p>	30 [Thirty] (Percentage)	30 [Thirty] (Percentage)	30	30	-	-	-	30	Y	30	30

See Code tables							Key Performance Indicator	Indicator Definition	Actual 2017 2018	Annual Target 2018 2019	Expected Outcome 2018 2019	Annual Target 2019 2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2020 2021	2021 2022
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
7.1	05	14	MTOD	15	05	01	Percentage budget spent on implementation of workplace skills plan (WSP)	Public Service employers in the national and provincial spheres of government are required in terms of Section 30 of the Skills Development Amendment Act to budget at least one percent [1%] of their payroll for the education and training of their employees measured against training budget. - Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (f) General key performance indicators	1 [one] (Percentage)	1 [one] (Percentage)	1	1	-	-	-	1	Y	1	1
10	04	13	MFVT	15	09	06	Financial viability as expressed by the following ratio: Debt Coverage	The ratio measures the ability to cover debt service payments with own revenue to aid in determining the financial viability of the Municipality (SA8) - Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (g) General key performance indicators	49.2 [twenty-two point fifty-eight] (Number)	15.4 [twenty-three point twenty] (Number)	15.4	31.1	-	-	-	31.1	Y	51.8	55.9
10	04	13	MFVT	15	09	06	Financial viability as expressed by the following ratio: Cost Coverage	To calculate the ability to cover fixed cost with available cash to aid in determining the financial viability of the Municipality (SA8) - Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (g) General key performance indicators	0.0 [three point forty-four] (Number)	(4.2) [two point ten] (Number)	(3.9)	(3.8)	-	-	-	(3.8)	Y	(7.1)	(10.2)
10	04	13	MFVT	15	09	06	Financial viability as expressed by the following ratio: Outstanding Service Debtors to Revenue	To calculate the ratio of service debtor to service revenue to aid in determining the financial viability of the Municipality (SA8) - Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (g) General key performance indicators.	132.2 [fourteen point ninety-seven] (Number)	195.1 [twenty-eight point zero] (Number)	195.7	95.3	-	-	-	95.3	Y	95.3	93.1

7.7	05	14	MTOD	15	09	06	Strategic Risk Register for the 2018/2019 financial year	The Strategic Risk Register acts as a central repository for all risks identified by the organisation. For each risk, information should be included such as risk probability, impact, counter measures and risk owners. Submission of the Strategic Risk Register to the Risk Management Committee (RMC), by July 2018 for consideration.	New Indicator	1 [one] (Number)	1 [one] (Number)	1		-	1	-	Y	1	1
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See Code tables							Key Performance Indicator	Indicator Definition	Actual 2017 2018	Annual Target 2018 2019	Expected Outcome 2018 2019	Annual Target 2019 2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2020 2021	2021 2022
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
7.7	05	14	MTOD	15	09	06	Review of the Risk Management Strategy and Policy; and Risk Management Committee Charter for the 2018/2019 financial year	The Risk Management Strategy guides the organisation on how to implement its Risk Management Policy, which formally set out the Municipality's stance on enterprise Risk Management. Submission of the reviewed Risk Management Strategy and Policy to Council for consideration, by July 2018.	New Indicator	1 [one] (Number)	1 [one] (Number)	1	1	-	-	-	Y	1	1
2.3	05	14	MTOD	15	09	06	Project Clean Audit 2017/2018	Put systems and procedures in place to attain Clean Audit opinion through improving governance and enhanced service delivery. Audit opinion expressed by the Auditor-General of South Africa (AGSA) for the 2017/2018 financial year.	1 [zero] (Number)	1 [one] (Number)	0 [one] (Number)	1	-	1	-	-	Y	1	1
5.11.1 5.15.4 7.1	06	16	GGPP	12	11	06	By-laws	Review and submit three by-laws to Council.	New Indicator	New Indicator	-	3	-	-	-	3	N	3	3

Chapter 4	06	16	GGPP	15	11	06	Council Meetings	Arrange (minimum) quarterly Council meetings as per Municipal Structures Act 117 of 1998 18(2) "A municipal council must meet at least quarterly."	New Indicator	New Indicator	12	12	3	3	3	1	Y	12	12
1.3	06	16	GGPP	15	09	06	Annual Report 2017/2018	Annual Report as required by MFMA (121) submitted for Council approved by end of March 2019.	New Indicator	New Indicator	1	1	-	-	1	-	Y	1	1
4.3	06	16	GGPP	12	11	06	Local Labour Forum	Hold a minimum of four Local Labour Forum meetings.	New Indicator	New Indicator	4	4	1	1	1	1	Y	4	4
10.2	04	14	MFVT	15	09	06	Debtor's Payment Level	The debtor's payment level directly relates to the municipality's capacity to collect amounts due with regard to rates, service and sundry charges and is fundamental to maintain positive cash flows and ensuring stability and long term financial viability. (SAB) Investigate further processes to increase the debt collection rate including the restructuring of the Income Department.	35 [Thirty five] (Percentage)	40 [Fourty] (Percentage)	40 [percentage]	40	-	-	-	40	Y	40	40

See Code tables							Key Performance Indicator	Indicator Definition	Actual 2017 2018	Annual Target 2018 2019	Expected Outcome 2018 2019	Annual Target 2019 2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2020 2021	2021 2022
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
10.2	04	14	MFVT	15	09	06	Investigate possible new external funding sources and government grants	Secure more external funding and government grants for soft services including long term funding for operating expenses through investigation external funding sources and government grants. Establish Public-Private Partnerships or investigate the possibility of voluntary contributions from Private Sector for low cost housing or the equivalent by the end of the financial year. Submit a comprehensive Investigation Report on possible new external funding sourced to Council by the end of the financial year.	New Indicator	1 [one] (Number)	1	1	-	-	1	-	Y	1	1
7.5	05	14	MTOD	14	09	06	ICT Management Framework	ICT Management Framework. Phase 2: Strategic alignment phase (2019)	New Indicator	New Indicator	-	1	-	-	-	1	N	-	-
7.2.1	01	03	BSD	04	04	02	Ensure provision of infrastructure and basic service through securing suitable land for human settlement projects in the Kheis Municipal area	The housing demand is significantly higher than the resources available and that is why the allocation of houses to potential beneficiaries becomes a challenge for the municipality. <u>Land has been identified for human settlement purposes in the following areas:</u> - Ward 1 _ Topline & Wegdraai (410) - Ward 2 _ Grootdrink & Gariep– 507 erven and Ward 3_ Sternham & Opwag – 114 erven (2078) Ward 4- Boegoeberg & Duineveld (432) Secure the identified suitable land by the end of June 2020	New Indicator	New Indicator	-	1	-	-	-	1	Y	-	-

See Code tables							Key Performance Indicator	Indicator Definition	Actual 2016 2017	Annual Target 2017 2018	Expected Outcome 2017 2018	Annual Target 2018 2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2019 2020	2020 2021
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
7.2.1	01	03	BSD	04	08	02	Construction of low cost housing units in !Kheis	The provision of affordable housing units remains a high priority for the Council in order to restore the dignity of poor people and provide them with shelter as enshrined in the Constitution of South Africa. COGSTA is the owner of the process <u>The following areas will receive low cost housing units:</u> Wegdraai (35)	New Indicator	New Indicator	-	35	-	5	10	20	N	-	-

See Code tables							Key Performance Indicator	Indicator Definition	Actual 2016 2017	Annual Target 2017 2018	Expected Outcome 2017 2018	Annual Target 2018 2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2019 2020	2020 2021
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
7.3.5	03	09	LED	03	01	01	Tourism Destination Plan	!Kheis Municipality is in the process of developing a tourism destination plan as a catalyst to optimize the tourism potential of the area.	New Indicator	New Indicator	-	1	-	-	-	1	N	-	-
7.3.5	06	09	LED	03	01	01	Youth internship program aimed at skill development in finance, technical and HR	This indicator reflects the number of individuals trained. (A10) – Local Government: Municipal Planning and Performance Management Regulations, 2001: Regulation 10 (b) General key performance indicators	New Indicator	New Indicator	-	25	25	25	25	25	N	-	-

7.2.1	01	03	BSD	04	04	02	Human Settlement Plan	The Human Settlements Plan sets out the programmes and projects relating to the human settlement development in the municipal area.	New Indicator	New Indicator	-	1	-	1	-	-	N	-	-
Chapter 8	05	14	MTOP	04	09	02	Spatial Development Framework (SDF) Review	The SDF is a core component of the 4th Generation IDP process, of !Kheis Local Municipality. The plan aims at making spatial provision for IDP and other strategic planning objectives of the organization in line with the principles of Sustainable Development.	New Indicator	1 [one] (Number)	1 [one] (Number)	1	-	-	-	1	N	-	-
Chapter 8	06	15	GGPP	15	11	06	Integrated Development Plan Review	The 4th Generation Integrated Development Plan, setting out the strategic objectives of Council must be Reviewed annually	New Indicator	New Indicator	-	1	-	-	-	1	N	1	1
Chapter 7	06	16	GGPP	15	11	06	Zoning Scheme Bylaw (Review)	The Zoning Scheme Bylaw sets out the procedures and conditions relating to the usage and development of land in the municipal area. Zoning Scheme Bylaw submitted to the relevant Council Committee by June 2020	New Indicator	1 [one] (Number)	1	1	-	-	-	1	N	-	-

See Code tables							Key Performance Indicator	Indicator Definition	Actual 2016 2017	Annual Target 2017 2018	Expected Outcome 2017 2018	Annual Target 2018 2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Multi-Year	2019 2020	2020 2021
IDP	SO	PR	MKPA / NKPA	NO	NDP	PSO													
7.1	06	07	BSD	04	03	02	Review of the Disaster Management Plan	A plan to pro-actively identify risks and prevent disasters from happening or mitigate the impact of such disasters if it cannot be avoided The Disaster Management Plan is reviewed annually	1 [one] (number)	1 [one] (number)	1 [one] (number)	1	-	-	-	1	N	1	1

5.2 Alignment Tables

IDP Strategic Objectives (SO)	Code
To improve and maintain current basic service delivery through specific infrastructural development projects	SO1
To promote a safe and healthy environment through the protection of our natural resources	SO2
To create an enabling environment for social development and economic growth	SO3
To grow the revenue base of the municipality	SO4
To structure and manage the municipal administration to ensure efficient service delivery	SO5
To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	SO6

National KPA (NKPA)	Code
Basic Service Delivery	BSD
Local Economic Development	LED
Municipal Financial Viability and Transformation	MFVT
Municipal Transformation and Organisational Development	MTOD
Good Governance and Public Participation	GGPP

Municipal KPA (MKPA)	Code
Basic Service Delivery	BSD
Local Economic Development	LED
Municipal Financial Viability and Transformation	MFVT
Municipal Transformation and Organisational Development	MTOD
Good Governance and Public Participation	GGPP

National Outcome (NO)	Code
No poverty	NO01
No hunger	NO02
Good jobs and economic growth	NO03
Sustainable cities & communities	NO04
Renewable energy	NO05
Climate change	NO06
Responsible consumption	NO07
Quality education	NO08
Good health	NO09
Gender equality	NO10
Reduced inequalities	NO11
Peace & justice	NO12
Clean water & sanitation	NO13
Innovation & infrastructure	NO14
Partnerships for the achievement of the goals	NO15

IDP Pre-determined Objective (PR)	Code
Water	PDO01
Sanitation	PDO02
Integrated Human Settlements	PDO03
Roads and Storm Water Management	PDO04
Electricity	PDO05
Environmental Conservation	PDO06
Disaster Management	PDO07
Decent employment opportunities and job creation	PDO08
Youth development	PDO09
Rural development	PDO10
Opportunities for women and people living with disability	PDO11
HIV/Aids awareness	PDO12
Sound Financial Planning	PDO13
Institutional capacity building	PDO14
Ward committees System	PDO15
Responsive and accountable system of Local Government	PDO16

NDP Objectives (NDP)	Code
Economy and Employment	NDP01
Economic Infrastructure	NDP02
Environmental Sustainability and resilience	NDP03
Transforming Human Settlements	NDP04
Improving education, training and innovation	NDP05
Health care for all	NDP06
Social protection	NDP07
Building safer Communities	NDP08
Building a capable and development state	NDP09
Fighting corruption	NDP10
National building and social cohesion	NDP11

Provincial Strategic Outcomes (PSO)	Code
Creating opportunities for growth and jobs	PSO1
Enable a resilient, sustainable, quality and inclusive living environment	PSO2
Improving education outcomes and opportunities for youth development	PSO3
Increase wellness, safety and tackling social skills	PSO4
High speed broadband infrastructure	PSO5
Embed good governance and integrated service delivery through partnerships and spatial alignment	PSO6

PART F:

Chapter 6: Financial Planning

6.1 Financial Tables

Chapter 6: Financial Planning

Section 26 of chapter 5 of the Local Government Municipal Systems Act, No 32 of 2000 prescribes the core components of the Integrated Development Plan (IDP). Section 26(h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of the Municipality over the medium term.

A Municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The Municipality has to do long term financial planning in order to determine the appropriate mix of financial parameters and assumptions within which the Municipality should operate to facilitate budgets that are affordable and sustainable at least ten years into the future. This helps to identify the consequential financial impact of planned capital projects on the Municipality's operating budget. The planning is reviewed annually to determine the most affordable level at which the Municipality can operate optimally, taking into account the fiscal overview, economic climate, national and provincial influences, IDP and other legislative imperatives, internal governance and community consultation.

6.1 Financial Tables

6.1.1 Budgeted Financial Performance against vote

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
<u>Revenue - Functional</u>										
<i>Governance and administration</i>		39 492	44 936	45 949	42 464	43 802	43 802	52 930	55 148	58 930
Executive and council		–	14	–	–	–	–	–	–	–
Finance and administration		39 492	44 922	45 949	42 464	43 802	43 802	52 930	55 148	58 930
Internal audit		–	–	–	–	–	–	–	–	–

Community and public safety		1 000	1 442	172	4 349	4 920	4 920	883	883	950
Community and social services		1 000	1 442	172	4 349	4 920	4 920	883	883	950
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	57	1 890	–	–	–	873	934	1 005
Planning and development		–	–	1 890	–	–	–	–	–	–
Road transport		–	57	–	–	–	–	873	934	1 005
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		13 509	6 519	15 999	13 014	13 015	13 015	13 119	14 050	15 288
Energy sources		–	–	–	–	–	–	–	–	–
Water management		8 723	3 473	10 750	8 301	8 301	8 301	6 950	7 444	8 185
Waste water management		2 061	1 617	2 344	1 823	1 823	1 823	2 597	2 782	2 991
Waste management		2 724	1 429	2 905	2 891	2 891	2 891	3 571	3 825	4 112
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	54 002	52 953	64 010	59 826	61 737	61 737	67 805	71 016	76 172
<u>Expenditure - Functional</u>	-									
Governance and administration		25 607	30 617	35 340	31 603	33 125	33 125	35 389	37 699	40 525
Executive and council		4 232	6 867	5 812	8 054	7 961	7 961	7 537	7 870	8 461
Finance and administration		21 375	23 751	29 528	23 549	25 165	25 165	27 852	29 829	32 064
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		4 675	7 142	8 054	5 978	5 222	5 222	4 316	4 415	4 672
Community and social services		4 675	7 142	8 054	5 978	5 222	5 222	4 316	4 415	4 672
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		2 347	3 967	3 067	1 992	1 985	1 985	2 515	2 687	2 889
Planning and development		–	–	3 067	1 992	1 985	1 985	1 643	1 753	1 884
Road transport		2 347	3 967	–	–	–	–	873	934	1 005

Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		13 470	13 012	17 876	20 149	20 488	20 488	21 993	22 334	23 910
Energy sources		–	–	–	–	–	–	–	–	–
Water management		7 666	9 893	5 000	9 612	9 951	9 951	10 988	11 768	12 651
Waste water management		5 804	3 119	2 272	5 662	5 662	5 662	5 987	6 397	6 777
Waste management		–	–	10 605	4 874	4 874	4 874	5 018	4 170	4 482
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	46 099	54 738	64 337	59 722	60 820	60 820	64 214	67 136	71 996
Surplus/(Deficit) for the year		7 903	(1 785)	(327)	104	918	917	3 591	3 880	4 176

Budgeted Financial Performance against Revenue & Expenditure Sources

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	3 876	4 998	4 528	4 368	4 368	4 368	4 368	7 541	8 076	8 982
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	4 303	2 410	4 656	4 301	4 137	4 137	4 137	4 414	4 728	5 266
Service charges - sanitation revenue	2	2 061	1 527	2 344	1 780	1 647	1 647	1 647	1 757	1 882	2 023
Service charges - refuse revenue	2	2 724	1 429	2 905	2 891	2 646	2 646	2 646	2 823	3 023	3 250
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		599	1 269	465	593	1 093	1 093	1 093	1 466	1 570	1 688
Interest earned - external investments		241	271	290	280	447	447	447	477	510	549
Interest earned - outstanding debtors		–	–	3 608	167	712	712	712	1 157	1 239	1 332
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	68	(0)	(0)	(0)	–	–	–
Licences and permits		315	258	172	11	17	17	17	72	77	83
Agency services		–	–	–	1 818	885	885	885	873	934	1 005
Transfers and subsidies		20 514	26 577	30 263	27 328	27 899	27 899	27 899	30 115	31 066	33 056
Other revenue	2	1 155	914	960	1 657	1 970	1 970	1 970	12 914	13 416	14 107
Gains on disposal of PPE		2	2 038	2 070	–	1 350	1 350	1 350	1 440	1 543	1 658

Total Revenue (excluding capital transfers and contributions)		35 791	41 691	52 260	45 259	47 169	47 169	47 169	65 048	68 065	72 998
Expenditure By Type	-										
Employee related costs	2	17 562	25 691	26 978	28 964	28 861	28 861	28 861	30 647	32 823	35 284
Remuneration of councillors		2 347	2 374	2 743	3 099	3 099	3 099	3 099	2 894	3 100	3 333
Debt impairment	3	5 535	4 630	8 861	–	5 884	5 884	5 884	6 278	6 723	7 228
Depreciation & asset impairment	2	7 634	7 927	9 321	4 532	4 532	4 532	4 532	4 835	5 178	5 567
Finance charges		967	1 700	653	–	50	50	50	53	57	61
Bulk purchases	2	889	901	1 200	1 350	1 350	1 350	1 350	1 441	1 543	1 659
Other materials	8	1 216	943	871	2 087	2 047	2 047	2 047	2 027	2 171	2 341
Contracted services		–	–	–	3 709	3 428	3 428	3 428	2 644	2 631	2 828
Transfers and subsidies		2 295	–	–	–	1 338	1 338	1 338	1 341	339	349
Other expenditure	4, 5	7 654	10 572	13 709	15 981	10 229	10 229	10 229	19 988	20 654	21 701
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Expenditure		46 099	54 738	64 337	59 722	60 818	60 818	60 818	72 149	75 219	80 350
Surplus/(Deficit)		(10 307)	(13 047)	(12 078)	(14 463)	(13 648)	(13 649)	(13 648)	(7 100)	(7 155)	(7 352)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		18 210	11 262	11 751	14 567	14 567	14 567	14 567	10 691	11 035	11 529
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		7 903	(1 785)	(327)	104	919	918	919	3 591	3 880	4 177
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		7 903	(1 785)	(327)	104	919	918	919	3 591	3 880	4 177
Attributable to minorities		–	–	–	–	–	–	–	–	–	–

Surplus/(Deficit) attributable to municipality		7 903	(1 785)	(327)	104	919	918	919	3 591	3 880	4 177
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		7 903	(1 785)	(327)	104	919	918	919	3 591	3 880	4 177

Budgeted Financial Position

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Current assets											
Cash		416	309	93	–	–	–	–	100	100	100
Call investment deposits	1	691	98	106	650	650	650	650	700	700	700
Consumer debtors	1	10 490	10 174	15 042	27 179	27 179	27 179	27 179	16 050	17 189	18 478
Other debtors		2 363	5 153	1 029	–	–	–	–	1 098	1 176	1 265
Current portion of long-term receivables		–	52	–	–	–	–	–	–	–	–
Inventory	2	107	329	286	–	–	–	–	306	327	352
Total current assets		14 066	16 115	16 556	27 829	27 829	27 829	27 829	18 254	19 493	20 895
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		–	–	–	–	–	–	–	–	–	–
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	156 135	162 546	161 351	190 940	190 940	190 940	190 940	172 162	184 385	198 214
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		–	–	–	–	–	–	–	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		156 135	162 546	161 351	190 940	190 940	190 940	190 940	172 162	184 385	198 214
TOTAL ASSETS		170 201	178 661	177 908	218 769	218 769	218 769	218 769	190 416	203 878	219 109

LIABILITIES											
Current liabilities	-										
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	1 988	875	-	-	-	-	933	1 000	1 075
Consumer deposits		78	90	90	-	-	-	-	96	103	111
Trade and other payables	4	18 000	22 713	27 059	8 504	8 504	8 504	8 504	28 872	30 922	33 242
Provisions		3 736	12	12	-	-	-	-	13	14	15
Total current liabilities		21 814	24 804	28 037	8 504	8 504	8 504	8 504	29 915	32 039	34 442
Non current liabilities											
Borrowing		-	4 324	2 378	-	-	-	-	2 537	2 717	2 921
Provisions		1 382	4 197	4 359	3 761	3 761	3 761	3 761	4 651	4 981	5 355
Total non current liabilities		1 382	8 521	6 737	3 761	3 761	3 761	3 761	7 188	7 698	8 276
TOTAL LIABILITIES		23 196	33 325	34 773	12 265	12 265	12 265	12 265	37 103	39 738	42 718
NET ASSETS	5	147 006	145 336	143 134	206 504	206 504	206 504	206 504	153 312	164 141	176 391
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		147 006	145 336	143 134	206 504	206 504	206 504	206 504	153 312	164 141	176 391
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	147 006	145 336	143 134	206 504	206 504	206 504	206 504	153 312	164 141	176 391

Cash Flow from Operating Activities

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		541	814	1 216	2 500	2 500	2 500	2 500	2 865	3 230	4 042

Service charges		1 266	4 266	2 075	5 272	5 272	5 272	5 272	3 418	3 853	4 005
Other revenue		1 828	2 441	2 119	3 296	3 666	3 666	3 666	5 823	6 399	6 415
Government - operating	1	20 514	22 977	30 263	27 328	23 400	23 400	23 400	30 115	31 066	33 056
Government - capital	1	18 210	14 862	11 751	14 567	15 067	15 067	15 067	10 691	11 035	11 529
Interest		241	271	3 897	447	1 166	1 166	1 166	621	700	715
Dividends		—	—	—	—	—	—	—	—	—	—
Payments											
Suppliers and employees		(26 015)	(33 306)	(43 693)	(55 190)	(51 352)	(51 352)	(51 352)	(59 642)	(62 922)	(67 146)
Finance charges		(503)	(1 700)	(653)	—	(50)	(50)	(50)	(53)	(57)	(61)
Transfers and Grants	1	—	—	—	—	(1 338)	(1 338)	(1 338)	(1 341)	(339)	(349)
NET CASH FROM/(USED) OPERATING ACTIVITIES		16 084	10 625	6 976	(1 780)	(1 669)	(1 669)	(1 669)	(7 503)	(7 035)	(7 795)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		—	—	—	850	1 350	1 350	1 350	1 440	1 543	1 658
Decrease (Increase) in non-current debtors		—	—	—	—	—	—	—	—	—	—
Decrease (increase) other non-current receivables		—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments		—	—	—	—	—	—	—	—	—	—
Payments											
Capital assets		(16 103)	(14 257)	(1 004)	(14 567)	(15 067)	(15 067)	(15 067)	(10 691)	(11 035)	(11 529)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16 103)	(14 257)	(1 004)	(13 717)	(13 717)	(13 717)	(13 717)	(9 251)	(9 492)	(9 871)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—	—	—	—
Payments											
Repayment of borrowing		—	2 942	(6 188)	—	—	—	—	—	—	—
NET CASH FROM/(USED) FINANCING ACTIVITIES		—	2 942	(6 188)	—	—	—	—	—	—	—

NET INCREASE/ (DECREASE) IN CASH HELD		(20)	(691)	(216)	(15 497)	(15 386)	(15 386)	(15 386)	(16 754)	(16 527)	(17 665)
Cash/cash equivalents at the year begin:	2	435	416	309	–	–	–	–	–	(16 754)	(33 281)
Cash/cash equivalents at the year end:	2	416	(275)	93	(15 497)	(15 386)	(15 386)	(15 386)	(16 754)	(33 281)	(50 946)

Budgeted Monthly Revenue & Expenditure

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source	-															
Property rates		628	628	628	628	628	628	628	628	628	628	628	633	7 541	8 076	8 982
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue		368	368	368	368	368	368	368	368	368	368	368	368	4 414	4 728	5 266
Service charges - sanitation revenue		146	146	146	146	146	146	146	146	146	146	146	146	1 757	1 882	2 023
Service charges - refuse revenue		235	235	235	235	235	235	235	235	235	235	235	235	2 823	3 023	3 250
Service charges – other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		122	122	122	122	122	122	122	122	122	122	122	122	1 466	1 570	1 688
Interest earned - external investments		40	40	40	40	40	40	40	40	40	40	40	40	477	510	549
Interest earned - outstanding debtors		96	96	96	96	96	96	96	96	96	96	96	96	1 157	1 239	1 332
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits		6	6	6	6	6	6	6	6	6	6	6	6	72	77	83
Agency services		73	73	73	73	73	73	73	73	73	73	73	73	873	934	1 005
Transfers and subsidies		15 058	–	–	–	9 035	–	–	–	6 023	–	–	–	30 115	31 066	33 056
Other revenue		1 076	1 076	1 076	1 076	1 076	1 076	1 076	1 076	1 076	1 076	1 076	1 076	12 914	13 416	14 107

Gains on disposal of PPE	120	120	120	120	120	120	120	120	120	120	120	120	1 440	1 543	1 658
Total Revenue (excluding capital transfers and contributions)	17 968	2 911	2 911	2 911	11 945	2 911	2 911	2 911	8 934	2 911	2 911	2 915	65 048	68 065	72 998
Expenditure By Type															
Employee related costs	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	30 647	32 823	35 284
Remuneration of councillors	241	241	241	241	241	241	241	241	241	241	241	241	2 894	3 100	3 333
Debt impairment	523	523	523	523	523	523	523	523	523	523	523	523	6 278	6 723	7 228
Depreciation & asset impairment	403	403	403	403	403	403	403	403	403	403	403	403	4 835	5 178	5 567
Finance charges	4	4	4	4	4	4	4	4	4	4	4	4	53	57	61
Bulk purchases	120	120	120	120	120	120	120	120	120	120	120	120	1 441	1 543	1 659
Other materials	169	169	169	169	169	169	169	169	169	169	169	169	2 027	2 171	2 341
Contracted services	220	220	220	220	220	220	220	220	220	220	220	220	2 644	2 631	2 828
Transfers and subsidies	112	112	112	112	112	112	112	112	112	112	112	112	1 341	339	349
Other expenditure	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 665	19 988	20 654	21 701
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	6 012	6 012	6 012	6 012	6 012	6 012	6 012	6 012	6 012	6 012	6 012	6 012	72 149	75 219	80 350
Surplus/(Deficit)	11 956	(3 102)	(3 102)	(3 102)	5 933	(3 102)	(3 102)	(3 102)	2 921	(3 102)	(3 102)	(3 097)	(7 100)	(7 155)	(7 352)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	891	891	891	891	891	891	891	891	891	891	891	891	10 691	11 035	11 529
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions,	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Private Enterprises, Public Corporations, Higher Educational Institutions)																
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		12 847	(2 211)	(2 211)	(2 211)	6 824	(2 211)	(2 211)	(2 211)	3 812	(2 211)	(2 211)	(2 206)	3 591	3 880	4 177
Taxation Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	12 847	(2 211)	(2 211)	(2 211)	6 824	(2 211)	(2 211)	(2 211)	3 812	(2 211)	(2 211)	(2 206)	3 591	3 880	4 177

6.1.2 Capital

Detailed Capital Budget

2019/20 Medium Term Revenue & Expenditure Framework											
R thousand											
Function	Project Description	Project Number	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality: <i>List all capital projects grouped by Function</i>											
Sternham In - situ upgrading of internal residential streets				Roads Infrastructure	Roads Waste Water Treatment	Ward 3		3 577			
Grootdringk Sewer reticulation,Pump satation & rising main		MIG 1325		Sanitation Infrastructure	Works Waste Water Treatment	Ward 1		2 769	1 142	1 210	1 283
Sternham & Duineveld sewer reticulation & Pump station		MIG 1324		Sanitation Infrastructure	Works Waste Water Treatment	Ward 3		3 794	9 122	9 372	9 766
Kheis UDS project		MIG 1212		Infrastructure	Works	All wards		427	427	453	480
Water reticulation - Brandboom				Water Infrastructure	Water Works	Ward 4		4 000			

Water reticulation - Groblershoop							15 594				–	
Parent Capital expenditure							15 594	14 567	10 691	11 035	11 529	
Entities: <i>List all capital projects grouped by Entity</i>												
Entity A Water project A												
Entity B Electricity project B												
Entity Capital expenditure							–	–	–	–	–	
Total Capital expenditure							15 594	14 567	10 691	11 035	11 29	

6.1.3 Revenue by Source and Expenditure by Type

Accrued monthly revenue summarised by source (Rates, Services, Interest, etc.) and expenditure by type (Employee Related Costs, Bulk Purchases, Other, etc.): Projected Revenue and Operating Expenditure Regulation 19(b) – NT SA30

Budgeted Monthly cash flow by revenue source

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Cash Receipts By Source</u>													1		
Property rates	239	239	239	239	239	239	239	239	239	239	239	239	2 865	3 230	4 042
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	140	140	140	140	140	140	140	140	140	140	140	140	1 678	1 891	2 001
Service charges - sanitation revenue	56	56	56	56	56	56	56	56	56	56	56	56	668	753	769

Service charges - refuse revenue	89	89	89	89	89	89	89	89	89	89	89	89	1 073	1 209	1 235
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	46	46	46	46	46	46	46	46	46	46	46	46	557	628	641
Interest earned - external investments	15	15	15	15	15	15	15	15	15	15	15	15	181	204	208
Interest earned - outstanding debtors	37	37	37	37	37	37	37	37	37	37	37	37	440	495	506
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits	2	2	2	2	2	2	2	2	2	2	2	2	27	31	32
Agency services	28	28	28	28	28	28	28	28	28	28	28	28	332	374	382
Transfer receipts - operational	15 058	–	–	–	9 035	–	–	–	6 023	–	–	–	30 115	31 066	33 056
Other revenue	409	409	409	409	409	409	409	409	409	409	409	409	4 907	5 366	5 361
Cash Receipts by Source	16 118	1 061	1 061	1 061	10 095	1 061	1 061	1 061	7 084	1 061	1 061	1 061	42 842	45 248	48 232
Other Cash Flows by Source															
Transfer receipts - capital	891	891	891	891	891	891	891	891	891	891	891	891	10 691	11 035	11 529
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE	120	120	120	120	120	120	120	120	120	120	120	120	1 440	1 543	1 658
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	17 129	2 072	2 072	2 072	11 106	2 072	2 072	2 072	8 095	2 072	2 072	2 072	54 974	57 826	61 420

Cash Payments by Type															
Employee related costs	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	2 554	30 647	32 823	35 284
Remuneration of councillors	241	241	241	241	241	241	241	241	241	241	241	241	2 894	3 100	3 333
Finance charges	4	4	4	4	4	4	4	4	4	4	4	4	53	57	61
Bulk purchases - Electricity	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - Water & Sewer	120	120	120	120	120	120	120	120	120	120	120	120	1 441	1 543	1 659
Other materials	169	169	169	169	169	169	169	169	169	169	169	169	2 027	2 171	2 341
Contracted services	220	220	220	220	220	220	220	220	220	220	220	220	2 644	2 631	2 828
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	112	112	112	112	112	112	112	112	112	112	112	112	1 341	339	349
Other expenditure	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	19 989	20 654	21 701
Cash Payments by Type	5 086	5 086	5 086	5 086	5 086	5 086	5 086	5 086	5 086	5 086	5 086	5 086	61 036	63 318	67 556
Other Cash Flows/Payments by Type															
Capital assets	891	891	891	891	891	891	891	891	891	891	891	891	10 691	11 035	11 529
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	5 977	5 977	5 977	5 977	5 977	5 977	5 977	5 977	5 977	5 977	5 977	5 977	71 727	74 353	79 085
NET INCREASE/(DECREASE) IN CASH HELD	11 152	(3 906)	(3 906)	(3 906)	5 129	(3 906)	(3 906)	(3 906)	2 117	(3 906)	(3 906)	(3 906)	(16 754)	(16 527)	(17 665)
Cash/cash equivalents at the month/year begin:	–	11 152	7 246	3 340	(565)	4 563	658	(3 248)	(7 154)	(5 036)	(8 942)	(12 848)	–	(16 754)	(33 281)
Cash/cash equivalents at the month/year end:	11 152	7 246	3 340	(565)	4 563	658	(3 248)	(7 154)	(5 036)	(8 942)	(12 848)	(16 754)	(16 754)	(33 281)	(50 946)

6.1.4 Financial Recovery Plan

This section provides an overview of the !Kheis Municipality's 2018/19 to 2020/21 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of the municipality.

The municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and local governments. In essence, the spheres of government are partners in meeting the service delivery challenges faced in !Kheis. !Kheis Municipality alone cannot meet these challenges. It requires support from the other spheres of government through the direct allocation of resources, as well as the achievement of their own policies.

The process encompassed the following:

- Framework for and strategic direction of the budget;
- Forecast taking above direction into account.
- Departmental budget presentations to execute the Municipality's strategies, business improvement measures and implementation readiness of capital programmes.
- Utility Services presentations on their proposed budgets and tariff increases.
- Key Financial Drivers

Ensuring congruence between the Municipality's strategy and budget included alignment with the:

- IDP;
- Development Strategies;
- Core economic, financial and technical data obtained at local and national level; and
- Other issues, policies and strategies stemming deemed important in this regard.

6.5 Grants and Subsidies

		2019/2020	2020/2021	2021/2022
PROJECT	FUNDING			
Operational Grands				
Financial Management Grand	FMG	2 880 000.00	3 312 000.00	3 576 000.00
Expanded Public Works Programme	EPWP	1 000 000.00	-	-
Equitable Share	EQS	25 352 000.00	26 871 000.00	28 530 000.00
Municipal Systems Improvement Grant	MSIG	-	-	1 000 000.00
LIBRARY	DSAC	883 000.00	883 000.00	950 000.00
CAPITAL GRANTS		2019/2020	2020/2021	2021/2022
Municipal Infrastructure Grant	MIG	10 691 000.00	11 035 000.00	11 529 000.00
Water Services Grant	WSIG	4 500 000.00	-	-
Intergrated Electrification	EEDG (IN KIND)	9 821 000.00	278 000.00	293 000.00
TOTAL		55 127 000.00	30 183 000.00	33 106 000.00